Social and Economic Environment

INTRODUCTION

The social and economic environment for Forest Plan revision encompasses the local and state settings that affect counties, communities, economies, and natural resource policies in the Monongahela National Forest region. Social and economic analyses are conducted by the Forest Service to determine what effects the agency has on local economies and the people using natural resources. The human dimension is an important part of Forest management, and impacts on local residents and economies are considered in resource decisions made in Forest Plan revision.

A social impact is a change in social and cultural conditions that directly or indirectly results from a Forest Service action. The objective of social impact analysis is to identify potential public needs and concerns that resource managers must consider in decision-making. These needs and concerns are also intended to inform decision-makers and the public of potential social effects that may occur as a result of Forest Service actions. Social and economic impacts are closely linked and interdependent. However, social impacts focus on cultural and lifestyle changes that may occur, while economic impacts occur when Forest Service actions directly or indirectly change the employment or income in an area.

Just as the Forest Service can directly or indirectly affect social and economic conditions, the agency is also affected by changes in economies, as well as changes in attitudes, values, and public desires, at both local and national scales. Conflicting opinions over the uses of public lands have increased the complexity of National Forest management, the number and types of laws governing natural resources, and the judicial interpretation of those laws. In many cases these changes have narrowed the decision space available to local managers.

Issues and Indicators

Issue Statement 1

Forest Plan management strategies may have social and economic effects on local counties and their communities.

Background to Issue #1

The social and economic environment is not directly linked to any of the Need For Change topics found in the AMS Summary (USDA Forest Service 1997) for the Forest Plan revision. However, nearly all Forest management activities have the potential to directly or indirectly affect the social and economic environment (chiefly counties and communities). These activities would be implemented under all alternatives and would differ somewhat by alternative.

Indicators for Issue #1

Indicators for this issue include county populations, lifestyles and social organization, attitudes, beliefs and values toward land use patterns, civil rights, employment and income, and federal payments to counties.

Issue Statement #2

Forest Plan management strategies may affect the financial efficiency of operating the National Forest.

Background to Issue #2

The financial efficiency of operating the National Forest is of great concern to the Forest Service and public alike. Controversy has swirled in recent years around such financial issues as "below-cost" timber sales, "subsidized" grazing, and recreation facilities that are deteriorating due to lack of maintenance or replacement funding. Financial efficiency is measured using Net Present Value, which compares both market and non-market discounted values or revenues with discounted operating costs. Revenues included in this analysis were estimated monies collected at developed campsites, receipts for timber purchases, and monies received for livestock grazing, mineral leases, and recreation use permits. The costs used in this analysis were derived from the estimated budget costs at the experienced budget levels for FY 2002.

Indicators for Issue #2

Net Present Value (NPV) for the Monongahela National Forest is measured over a 50-year time period. The main indicator used in financial efficiency analysis is NPV. NPV is an index in which discounted costs are subtracted from discounted revenues.

Scope of the Analysis

For this analysis, the size and scale of the social and economic impact study area must be large enough to capture important impacts while remaining small enough to prevent dilution of those impacts from extraneous social and economic activity. The following factors were considered in choosing the social and economic impact study area for Forest Plan revision:

1. Initial impact site
2. Residential location of labor force, including commuting areas
3. Location of supporting industries and services
4. Location of consumers/users

The initial impact site was chosen as the 10 counties containing National Forest System lands because those counties receive impacts in the form of revenue from PILT and 25 Percent Fund or Stabilized Payments. For this analysis, counties represent the best units for defining the impact area because counties are the finest unit of disbursement for PILT, 25 Percent Fund, and Stabilized Payments, and a county is the smallest standard data set in IMPLAN, the model used to calculate employment and income effects. Furthermore, Census Bureau data sets for such

social indicators as population and median income and demographics are only available at the county level for West Virginia.

The initial 10-county impact area also captures most of the spending impacts from recreation (including wildlife and fish related recreation) visits occurring on the Forest, because most people who spend money while visiting the Forest are going to be spending that money in the 10-county area during their visit.

Both sawlogs and pulpwood are harvested from National Forest System lands. A large majority of sawlogs are milled at support industries within the 10-county area, whereas a large majority of pulpwood is processed outside of the 10-county area. For Alternative 2M, about three quarters of the timber volume harvested is estimated to be sawlogs, but 99 percent of the timber value harvested is estimated to be from sawlogs. The IMPLAN model used to estimate economic effects is driven by dollar value rather than quantities of products such as timber volume.

In determining whether to expand the initial impact site to include additional, surrounding counties, we also considered the location of the labor force and its associated commuting areas. The United States Census Bureau compiles County-To-County Worker Flow Files that show commuting trends between counties based on either county of residence or county of work. For capturing induced effects, the worker flows based on county of work show whether an initial study area adequately captures household purchases from workers. For the initial impact study area, 88 percent of the individuals working in the area commute within the study area, and 80 percent of the individuals working in the study area work and reside in the same county.

The social and economic impact area for this analysis consists of the 10 counties and 22 communities within the Forest's primary area of influence (see Figure SO-1). Some state and national social and economic characteristics are also presented to help provide context and perspective. Effects are described for the area of influence, and, in the case of financial efficiency, for the Forest itself. Effects for most indicators are estimated primarily for the planning period, or the next 10 years. Because social and economic change is ongoing and can be influenced by so many factors, predictions become less and less reliable over longer time frames. NPV effects are estimated over a 50-year period.

CURRENT CONDITIONS

The MNF 10-County Region

The Forest social and economic overview area includes 10 counties that have land within them administered by the Monongahela National Forest. The relationship between counties and the Forest Service is an important one, in part because of economic benefits that the counties receive from federal land managers. The 10 counties are Barbour, Grant, Greenbrier, Nicholas, Pendleton, Preston, Pocahontas, Randolph, Tucker, and Webster. The percent of land administered by the Forest in each county is shown in Table SO-2, along with the percent of each county's land within the Forest proclamation boundary.

Figure SO-1. Counties and Communities of the Monongahela NF Region

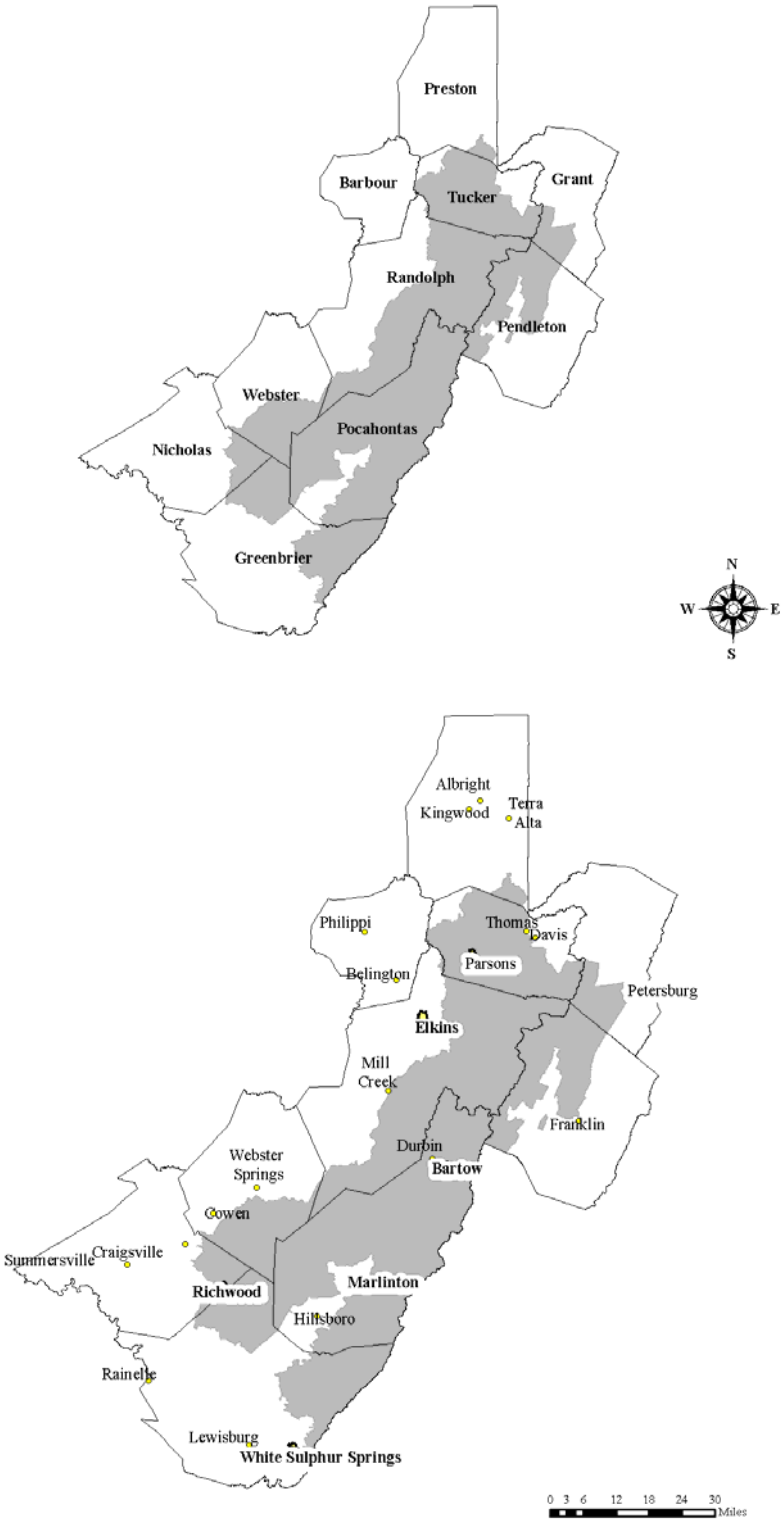

Table SO-1. Relationship between County and Monongahela NFS Lands

County	Acres	% Forested	% MNF	Acres MNF Land
Barbour	221,062	64	0.1	11
Grant	305,920	79	6.5	20,001
Greenbrier	654,592	75	16.5	108,084
Nicholas	420,333	80	5.6	23,540
Pendleton	446,033	82	18.3	81,801
Pocahontas	603,270	89	51.3	309,429
Preston	418,483	69	0.9	3,897
Randolph	669,658	88	30.4	203,407
Tucker	269,869	84	37.6	101,399
Webster	357,504	93	18.4	65,800
Totals	**4,366,724**	**78**	**21**	**917,369**

Only one of the 10 counties, Pocahontas, has over 50 percent or more of its area in MNF lands. By contrast, Barbour County has only 11 acres of MNF lands in the county's land base.

County Profiles

Brief profiles were developed for the 10 counties with the potential to be affected, from a social and economic perspective, by Forest Plan revision. They are presented below. The profile tables and the numbers in them are different than those provided in the DEIS. The differences are due to a discovery between Draft and Final that the numbers used in the DEIS spanned a period during which there was a major change in 2001 in the industrial classification systems used in economic reporting. Thus, comparing numbers used under the old Standard Industrial Classification (SIC) system to those under the new North American Industry Classification System (NAICS) was rather like comparing apples to oranges and resulted in extraordinarily high recreation sector changes, among other oddities. The numbers in the FEIS are derived from "CA25 – Total full-time and part-time employment by industry" tables published by the U.S. Department of Commerce, Bureau of Economic analysis (BEA). The years 1990 and 2000 are used to provide consistency in reporting methods and to show meaningful economic trends during this fairly recent period. Many of the tables have BEA disclosure issues, and the following definitions are useful in interpreting the specific disclosure reason:

D = Not shown to avoid disclosure of confidential information, but the estimates for this item are included in the totals,

L = Less than 10 jobs, but the estimates for this item are included in the totals,

NA = Not available due to disclosure reasons noted above.

Barbour County

Formed in 1843 and consisting of 345 square miles, Barbour County was named for Virginia jurist, Philip Pendleton Barbour. Philippi, settled in 1780, is the county seat and largest town. It is also the home of Alderson-Broaddus College. The other Forest gateway community in the county is Belington. Barbour County has coal mines, tobacco farms, lumber production, and natural gas/oil wells. Its agricultural products include livestock, dairy foods, and fruit orchards.

By industry, the largest number of people in the county work in the Services sector, followed by Government, and then Retail Trade. From 1990 to 2000, the overall workforce (16 years or older) rose by 692 employees, a 14 percent increase. The largest increases in employees occurred in the Government, Finance/Insurance/Real Estate, Manufacturing, and Transportation and Utilities sectors. The largest percent increase in employment was in the Transportation and Utilities sector. The largest decreases in employees were in the Mining sector, followed by Farm Employment. The largest percent decrease in employment was also in the Mining sector.

People Employed by Place of Work in Barbour County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	4,829	5,521	692	14%
By Type				
Wage and salary employment	3,359	3,627	268	8%
Proprietors employment	1,470	1,894	424	29%
By Industry				
Farm employment	580	532	-48	-8%
Nonfarm employment	4,249	4,989	740	17%
Private employment	3,443	4,068	625	18%
Agricultural services, forestry, fishing & other	(D)	(D)	NA	NA
Mining	435	249	-186	-43%
Construction	200	299	99	50%
Manufacturing	214	325	111	52%
Transportation and public utilities	179	287	108	60%
Wholesale trade	80	(D)	NA	NA
Retail trade	744	826	82	11%
Finance, insurance, and real estate	153	266	113	74%
Services	(D)	1,664	NA	NA
Government and government enterprises	806	921	115	14%

Grant County

Grant County was formed in 1866 and named for General Ulysses Simpson Grant who became the 18th president of the United States. The county contains an estimated 478 square miles in the eastern part of the state. Petersburg is the county seat and also one of the sites of the Forest's Cheat-Potomac Ranger District Office. Petersburg Ranger District. It is a center for trading, tourism, and sport fishing. The county is known for its livestock, fruit and tobacco farms, grain, and timber.

By industry, the largest number of people in the county work in the Manufacturing sector, followed by the Services sector, and then Construction. Overall, the workforce decreased from 1990 to 2000 by 752 employees 16 years or older, an 11 percent reduction. The largest decreases in employment occurred in the Mining and Construction sectors. The Mining sector also had the largest percentage decrease in employment. The largest increases in employment were in the Manufacturing and Finance/ Insurance/Real Estate sectors. The largest percentage increase was in the Agriculture/Forestry/Fishing sector.

Table SO-3. People Employed by Place of Work in Grant County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	6,895	6,143	-752	-11%
By Type				
Wage and salary employment	5,620	4,565	-1,055	-19%
Proprietors employment	1,275	1,578	303	24%
By Industry				
Farm employment	515	505	-10	-2%
Nonfarm employment	6,380	5,638	-742	-12%
Private employment	5,393	4,625	-768	-14%
Agricultural services, forestry, fishing & other	25	72	47	188%
Mining	1,060	150	-910	-86%
Construction	1,070	629	-441	-41%
Manufacturing	683	1,146	463	68%
Transportation and public utilities	(D)	560	NA	NA
Wholesale trade	145	134	-11	-8%
Retail trade	602	607	5	1%
Finance, insurance, and real estate	198	277	79	40%
Services	(D)	1,050	NA	NA
Government and government enterprises	987	1,013	26	3%

Greenbrier County

Greenbrier County was established in 1778 and is named for the river that drains this part of the state. This large county consists of 1,023 square miles in the southeastern part of the state. Lewisburg is the county seat and largest town. Other gateway communities to the Forest are White Sulphur Springs, and Rainelle. White Sulphur Springs was the site of a District Ranger's Office for the Forest until the district merged with the Marlinton Ranger District. The Forest still has an administrative site there. The county lies in a resort region with mineral springs. It also has coal mines, lumber operations, livestock, dairy products, and fruit and tobacco farms.

By industry, the largest number of people in the county work in Services sector, followed by Retail Trade, Government, and Farming. From 1990 to 2000, the overall workforce increased by 1,520 employees 16 years or older, or by 9 percent. The largest increases in employees occurred in the Services sector, followed by the Retail Trade and Finance/Insurance/ Real Estate sectors. The largest percent increase was in the Agriculture/Forestry/Fishing sector, followed by Finance/Insurance/Real Estate. The largest decreases in employment were in the Manufacturing sector, followed by the Mining and Farm Employment. The largest percent decrease was in the Mining sector.

Table SO-4. People Employed by Place of Work in Greenbrier County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	16,233	17,753	1,520	9%
By Type				
Wage and salary employment	12,689	13,643	954	8%
Proprietors employment	3,544	4,110	566	16%
By Industry				
Farm employment	1,146	1,017	-129	-11%
Nonfarm employment	15,087	16,736	1,649	11%
Private employment	12,806	14,260	1,454	11%
Agricultural services, forestry, fishing & other	145	240	95	66%
Mining	425	201	-224	-53%
Construction	770	801	31	4%
Manufacturing	1,766	1,266	-500	-28%
Transportation and public utilities	664	674	10	2%
Wholesale trade	445	491	46	10%
Retail trade	2,873	3,315	442	15%
Finance, insurance, and real estate	595	865	270	45%
Services	5,123	6,407	1,284	25%
Government and government enterprises	2,281	2,476	195	9%

Nicholas County

Nicholas County was established in 1818 and named in honor of Wilson Cary Nicholas, who served as Governor of Virginia from 1814 to 1816. It consists of 657 square miles in central West Virginia. The county seat and largest town is Summersville, which sits to the north of Summersville Reservoir, a popular recreation destination. Other county gateway communities to the Forest are Craigsville and Richwood, also the site of the Forest's Gauley District Ranger Office. The county's natural resource economy includes livestock and fruit farms, tobacco crops, lumber, bituminous coal, and limestone quarries.

By industry, the largest number of people in the county work in the Retail Trade sector, followed by Services, Government, and Manufacturing. From 1990 to 2000, the overall workforce rose by 1,445 employees 16 years or older, a 15 percent increase. The largest increases in employees occurred in the Services sector, followed by Retail Trade and Government. The largest percentage increases were in the Construction sector, followed by Services and Transportation and Public Utilities. The largest losses by far were in the Mining sector, with much smaller decreases in the Wholesale Trade and Farming sectors. Mining decreased by 59 percent.

Table SO-5. People Employed by Place of Work in Nicholas County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	9,873	11,318	1,445	15%
By Type				
Wage and salary employment	8,284	9,444	1,160	14%
Proprietors employment	1,589	1,874	285	18%
By Industry				
Farm employment	375	372	-3	-1%
Nonfarm employment	9,498	10,946	1,448	15%
Private employment	7,790	8,900	1,110	14%
Agricultural services, forestry, fishing & other	76	88	12	16%
Mining	1,564	636	-928	-59%
Construction	331	586	255	77%
Manufacturing	1,033	1,236	203	20%
Transportation and public utilities	522	753	231	44%
Wholesale trade	316	282	-34	-11%
Retail trade	1,955	2,469	514	26%
Finance, insurance, and real estate	320	387	67	21%
Services	1,673	2,463	790	47%
Government and government enterprises	1,708	2,046	338	20%

Pendleton County

The county was founded in 1788 and named for Edmund Pendleton, the Governor of Virginia from 1774 to 1776. The county is 697 square miles in eastern West Virginia. Franklin is the county seat, and has been since 1794. The area, which contains a good portion of the Spruce Knob-Seneca Creek NRA, is known for its hunting and fishing and summer resorts. Livestock, dairy and fruit farms, and timber are also present.

By industry, the largest number of people in the county work in Services, followed by the Government, and then Farming. From 1990 to 2000, the overall workforce 16 years or older stayed relatively the same, increasing by only 9 employees. The largest increases in employees occurred in the Services sector, followed by Government and Retail Trade. The largest percentage increases were in the Retail Trade and Transportation and Utilities sectors. The largest losses in employment were in the Manufacturing sector, followed by Farming. The largest percentage decrease in employment was 77 percent of the Manufacturing sector.

Table SO-6. People Employed by Place of Work in Pendleton County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	3,636	3,645	9	0%
By Type				
Wage and salary employment	2,406	2,189	-217	-9%
Proprietors employment	1,230	1,456	226	18%
By Industry				
Farm employment	854	782	-72	-8%
Nonfarm employment	2,782	2,863	81	3%
Private employment	2,200	2,084	-116	-5%
Agricultural services, forestry, fishing & other	38	(D)	NA	NA
Mining	(D)	(D)	NA	NA
Construction	130	152	22	17%
Manufacturing	847	193	-654	-77%
Transportation and public utilities	119	186	67	56%
Wholesale trade	(D)	78	NA	NA
Retail trade	261	354	93	36%
Finance, insurance, and real estate	51	92	41	80%
Services	649	908	259	40%
Government and government enterprises	582	779	197	34%

Pocahontas County

Pocahontas County was established in 1821 and named after Pocahontas, the American Indian princess who was said to have saved the life of early colonist, John Smith. The county is 943 square miles and is known as the "Birthplace of Rivers", as 8 rivers have their source here. The county seat is Marlinton, named for Jacob Marlin, who settled there in 1749. The Forest's Marlinton Ranger District Office is located there. The other gateway communities are Hillsboro, the birthplace of author Pearl S. Buck, and Durbin/Bartow. Bartow is the home of the Forest's Greenbrier Ranger District Office. The county's natural resource economy includes livestock, dairy and fruit farms, and timber.

By industry, the largest number of people in the county work in the Services sector, followed by Government, Retail Trade, and Manufacturing. From 1990 to 2000, the overall workforce 16 years or older rose by 586 employees, a 12 percent increase. The largest increases in employees occurred in the Services sector, followed by Transportation and Utilities and Construction. The largest percentage increases were in Transportation and Utilities, Finance/Insurance/Real Estate, and Services. The largest losses in employment were in the Manufacturing sector, followed by Farming. The largest percentage decrease in employment was also in Manufacturing.

Table SO-7. People Employed by Place of Work in Pocahontas County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	4,710	5,296	586	12%
By Type				
Wage and salary employment	3,510	3,929	419	12%
Proprietors employment	1,200	1,367	167	14%
By Industry				
Farm employment	489	431	-58	-12%
Nonfarm employment	4,221	4,865	644	15%
Private employment	3,379	3,999	620	18%
Agricultural services, forestry, fishing & other	29	62	33	114%
Mining	17	(D)	NA	NA
Construction	204	299	95	47%
Manufacturing	956	585	-371	-39%
Transportation and public utilities	148	256	108	73%
Wholesale trade	56	(D)	NA	NA
Retail trade	545	595	50	9%
Finance, insurance, and real estate	162	244	82	51%
Services	1,262	1,873	611	48%
Government and government enterprises	842	866	24	3%

Preston County

Preston County was founded in 1818 and named for James Patton Preston who served as Governor of Virginia from 1816 to 1819. The county consists of 654 square miles in northern West Virginia. Kingwood, established in 1811, is the county seat and largest town. Kingwood is considered a commercial center for mining, agriculture, and lumbering. It is also a tourist attraction in summer because of its cool climate. Contributing to the county's natural resource economy are dairy and poultry farms, coal, lumber, and limestone quarries.

By industry, the largest number of people in the county work in the Services sector, followed by Government, Retail Trade, and Manufacturing. From 1990 to 2000, the overall workforce (16 years or older) rose by 1,080 employees, an 11 percent increase. The largest increases in employees occurred in the Manufacturing sector, followed by Services and Construction. The largest percentage increase was in the Agriculture/Forestry/Fishing sector, followed by Manufacturing. The largest employment losses by far were in the Mining sector, followed by small decreases in the Wholesale Trade and Transportation and Utilities sectors. The largest percentage decrease in employment, 64 percent, was in the Mining sector.

Table SO-8. People Employed by Place of Work in Preston County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	9,846	10,926	1,080	11%
By Type				
Wage and salary employment	7,005	7,403	398	6%
Proprietors employment	2,841	3,523	682	24%
By Industry				
Farm employment	1,041	1,093	52	5%
Nonfarm employment	8,805	9,833	1,028	12%
Private employment	7,010	8,016	1,006	14%
Agricultural services, forestry, fishing & other	68	141	73	107%
Mining	838	302	-536	-64%
Construction	470	674	204	43%
Manufacturing	770	1,390	620	81%
Transportation and public utilities	860	853	-7	-1%
Wholesale trade	263	247	-16	-6%
Retail trade	1,438	1,623	185	13%
Finance, insurance, and real estate	438	565	127	29%
Services	1,865	2,221	356	19%
Government and government enterprises	1,795	1,817	22	1%

Randolph County

Randolph County was established in 1787 and named for Edmund Jennings Randolph who served as Governor of Virginia from 1786 to 1788. Located in east central West Virginia, Randolph County is the largest county in the state at 1,046 square miles. Elkins is the county seat and home of the Monongahela National Forest's Supervisors Office, as well as Davis and Elkins College. Another gateway community in the county is Mill Creek. The county's natural resource economy includes coal mines, timber operations, limestone quarries, livestock, and fruit and tobacco farms.

By industry, the largest percentage of people in the county work in the Services sector, followed by Retail Trade, Government, and Manufacturing. From 1990 to 2000, the overall workforce 16 years or older rose by 3,227 employees, a 26 percent increase. The largest employment increases occurred in the Services sector, followed by Manufacturing, and then Retail Trade. The largest percentage increases occurred in the Manufacturing sector, followed by Services and Retail Trade. Relatively small employment losses occurred in the Transportation and Utilities sector, and in Farming.

Table SO-9. People Employed by Place of Work in Randolph County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	12,203	15,430	3,227	26%
By Type				
Wage and salary employment	9,846	12,620	2,774	28%
Proprietors employment	2,357	2,810	453	19%
By Industry				
Farm employment	498	490	-8	-2%
Nonfarm employment	11,705	14,940	3,235	28%
Private employment	9,668	12,629	2,961	31%
Agricultural services, forestry, fishing & other	75	(D)	NA	NA
Mining	436	(D)	NA	NA
Construction	834	898	64	8%
Manufacturing	1,236	1,995	759	61%
Transportation and public utilities	574	557	-17	-3%
Wholesale trade	489	557	68	14%
Retail trade	2,038	2,585	547	27%
Finance, insurance, and real estate	526	647	121	23%
Services	3,460	5,147	1,687	49%
Government and government enterprises	2,037	2,311	274	13%

Tucker County

Tucker County was founded in 1856 and named for Henry St. George Tucker, a prominent Virginia jurist and congressman. The county is 422 square miles and located in northeast West Virginia. Parsons is the county seat and also the office site of the Parsons Ranger District and Fernow Experimental Forest. The other gateway communities are Thomas and Davis, the latter a ski resort town. The county's economic base includes coal, limestone quarries, lumber production, livestock, dairy, and fruit farms.

By industry, the highest percentage of people in the county work in the Services sector, followed by Government, Retail Trade, and Manufacturing. From 1990 to 2000, the overall workforce (16 years or older) rose by 389 employees, an 11 percent increase. The largest employment increases occurred in the Services sector, followed by Government and Retail Trade. The largest percentage increases in employment were in the Wholesale Trade and Construction sectors. Employment losses occurred in the Manufacturing and Transportation and Utilities sectors. The largest percentage decrease in employment occurred in the Transportation and Utilities sector.

Table SO-10. People Employed by Place of Work in Tucker County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	3,522	3,911	389	11%
By Type				
Wage and salary employment	2,857	3,175	318	11%
Proprietors employment	665	736	71	11%
By Industry				
Farm employment	217	228	11	5%
Nonfarm employment	3,305	3,683	378	11%
Private employment	2,701	2,922	221	8%
Agricultural services, forestry, fishing & other	(L)	(D)	NA	NA
Mining	76	(D)	NA	NA
Construction	229	315	86	38%
Manufacturing	577	411	-166	-29%
Transportation and public utilities	195	107	-88	-45%
Wholesale trade	37	52	15	41%
Retail trade	407	548	141	35%
Finance, insurance, and real estate	163	223	60	37%
Services	1,014	1,201	187	18%
Government and government enterprises	604	761	157	26%

Webster County

Webster County was founded in 1860 and named after Daniel Webster, an early American statesman and orator from New England. The county is 559 square miles in the central part of the state. Its county seat and largest town is Webster Springs, a rendezvous for sportsmen. The other Forest gateway community is Cowen. The county's natural resource economy is supported by bituminous coal mines, livestock, fruit and tobacco farms, and timber operations, in addition to extensive hunting and fishing.

By industry, the highest percentage of people in the county work in the Government sector, followed by Services and Manufacturing. From 1990 to 2000, the overall workforce (16 years or older) rose by 291 employees, an 11 percent increase. The largest increases in employees occurred in the Manufacturing sector, followed by the Construction and Government sectors. The largest percentage increase was in the Construction sector. Employment losses occurred in the Mining sector, followed by Farming and Retail Trade. The largest percentage loss was in the Mining sector.

Table SO-11. People Employed by Place of Work in Webster County: 1990 and 2000

Type or Place of Work	1990	2000	Decadal Change	Decadal % Change
Total full-time and part-time employment	2,707	2,998	291	11%
By Type				
Wage and salary employment	2,026	2,397	371	18%
Proprietors employment	681	601	-80	-12%
By Industry				
Farm employment	128	91	-37	-29%
Nonfarm employment	2,579	2,907	328	13%
Private employment	1,943	2,192	249	13%
Agricultural services, forestry, fishing & other	(L)	(D)	NA	NA
Mining	364	286	-78	-21%
Construction	33	130	97	294%
Manufacturing	313	466	153	49%
Transportation and public utilities	166	171	5	3%
Wholesale trade	106	(D)	NA	NA
Retail trade	368	361	-7	-2%
Finance, insurance, and real estate	69	(D)	NA	NA
Services	523	588	65	12%
Government and government enterprises	636	715	79	12%

Population and Demographics

Population information is summarized from the *Social Assessment for the Monongahela National Forest*, developed by West Virginia University (WVU 2004) for the Forest Plan revision process. This document is available in the planning record.

Table SO-12 lists population estimates for the year 2000, along with the percent change in

population from 1990 to 2000 for West Virginia, and the Forest region counties and communities.

Despite the state's modest increase in population from 1990 to 2000, the Forest region counties showed almost no increase overall during the same period. However, the variation between counties and communities was considerable. Grant County had the highest increase (8.4%) among all counties, while Webster had the largest decrease (-9.4%). Community differences ranged from Albright (+32.3%) to Davis (-21.6%).

Table SO-12. Population Statistics for State, Counties, and Communities

Location	Population 2000	Percent Change 1990-2000
Barbour County	15,557	-0.9
Belington	1,803	-2.5
Philippi	2,753	-12.1
Grant County	11,299	8.4
Petersburg	2,424	2.7
Greenbrier County	34,453	-0.7
Lewisburg	3,624	3.1
Rainelle	1,576	-6.2
White Sulphur Springs	2,315	-19.1
Nicholas County	26,562	-0.8
Craigsville	2,119	5.5
Richwood	2,477	-14.2
Summersville	3,276	22.9
Pendleton County	8,196	1.8
Franklin	797	-12.8
Pocahontas County	9,131	1.8
Durbin	262	-15.8
Hillsboro	252	30.6
Marlinton	1,204	5.3
Preston County	29,334	1.0
Albright	263	32.2
Kingwood	2,938	-9.4
Randolph County	28,262	1.7
Elkins	7,032	-5.2
Mill Creek	662	-4.6
Tucker County	7,321	-5.3
Davis	624	-21.6
Parsons	1,463	1.6
Thomas	452	-21.5
Webster County	9,719	-9.4
Cowen	513	-12.2
Webster Springs	808	19.9
All Counties in Forest Region	179,834	-0.1
West Virginia	1,808,344	0.8

Other demographic information on the counties and communities is captured in the *Social Assessment for the Monongahela National Forest* (WVU 2004) and is summarized here.

Gender – All but two of the counties and two of the gateway communities have more women than men, although most counties saw the numbers of males increase between 1990 and 2000.

Age – For all counties, the age distribution is 22% children, 62% adults, and 16% seniors, which is very similar to state-wide averages. The overall age of people in the Forest counties appears to be increasing, as seen in a decrease in number of children between 1990 and 2000, and a corresponding increase in the adult and senior age categories. Younger adults in the 25 to 34 age class are the fastest decreasing portion of the population in the state and Forest counties.

Marital Status – West Virginia had a higher divorce rate from 1990-2000 than the national average, and the Forest region counties had an even higher rate. However in 2000, the married population as a whole was higher in the Forest region counties (60.6%) than the state (58.7%), and the state was higher than the national average (54.5%).

Ethnicity – West Virginia is a predominantly white state (95%), and the Forest counties are even more so (97.7%). A number of the gateway communities fall within the 99-100 percent range. The primary minorities appear to be Black/African American, followed by Hispanic. Hispanics have had the highest percentage increases in Forest counties over the recent years.

Income and Employment

Income - In 2000, West Virginia ranked last among all states in median household income at $29,696. The median household income averaged across all of the Forest counties was only $26,691, or over $3,000 less than the state average. Only Pendleton County had a median income higher than the state. However, both the state and the counties saw an increase in the median income between 1990 and 2000 that exceeded the national average. Increases varied widely for individual counties and gateway communities, and for income brackets within each. On a positive note, people living below the poverty level decreased in this period for the state and the counties, although the Forest counties average poverty level was 19.7 percent in 2000. Income generated by households in West Virginia, the 10 MNF region counties, and gateway communities is displayed by income class in the table below for the year 2000.

Table SO-13. Percentage of Households by Income Class in 2000 for West Virginia, Forest Counties and Communities

Area	Percent of Households by Income Class* in 2000.										
	<10	10-20	20-30	30-40	40-50	50-60	60-75	75-100	100-125	125-150	>150
West Virginia	15.5	18.9	16.1	13.2	10.2	7.4	7.7	6.1	2.3	0.9	1.8
Forest Counties	16.4	21.2	17.7	14.7	9.8	6.8	5.9	4.1	1.4	0.5	1.5
Barbour County	18.5	22.9	17.3	15.0	8.8	6.5	5.4	3.4	1.3	0.4	0.6
Belington	17.6	26.9	16.0	12.5	8.8	7.1	7.0	2.2	0.5	0.3	1.1
Philippi	28.1	18.3	15.3	12.2	9.0	5.4	4.4	5.3	0.6	0.8	0.5
Grant County	13.9	19.8	17.9	15.0	11.3	8.6	6.3	4.4	0.9	0.6	1.3
Petersburg	17.2	22.0	19.1	14.2	10.3	6.9	2.9	4.8	0.4	0.8	1.4
Greenbrier County	17.7	19.7	17.6	14.5	9.6	6.3	5.9	4.1	1.8	0.6	2.3
Lewisburg	20.6	21.0	13.6	8.4	12.3	3.8	6.1	4.4	3.9	0.9	5.0
Rainelle	27.9	22.9	17.7	11.2	7.4	3.5	4.2	2.7	0.7	0.3	1.6
White S.S.	19.4	19.8	16.5	14.8	9.2	6.9	6.1	5.2	1.4	0.6	0.0
Nicholas County	16.3	20.4	18.3	13.9	10.5	5.7	6.6	4.4	1.4	0.6	2.0
Craigsville	20.5	19.7	18.0	13.4	10.5	7.1	7.8	2.0	0.4	0.0	0.7
Richwood	25.7	19.8	19.7	10.3	8.7	6.4	3.4	2.9	2.0	0.0	1.2
Summersville	14.6	18.1	17.9	9.8	9.8	6.8	9.4	4.3	1.9	2.0	5.3
Pendleton County	12.6	17.5	19.1	18.2	12.2	6.9	7.0	3.1	1.1	0.6	1.9
Franklin	9.8	18.1	16.9	17.5	8.3	12.3	10.1	3.7	1.5	0.6	1.2
Pocahontas Co.	15.8	21.7	18.3	15.3	9.3	6.7	5.8	3.8	2.2	0.6	0.5
Durbin	18.6	25.4	29.7	10.2	9.3	3.4	2.5	0.8	0.0	0.0	0.0
Hillsboro	25.2	18.0	7.2	19.8	14.4	0.0	9.9	3.6	0.0	0.0	1.8
Marlinton	21.9	25.3	16.0	12.0	7.0	6.1	4.8	2.9	2.7	0.4	1.1
Preston County	14.5	22.0	17.1	14.9	11.2	7.3	6.1	4.0	1.4	0.6	1.0
Albright	13.4	27.7	31.3	14.3	4.5	6.3	2.7	0.0	0.0	0.0	0.0
Kingwood	14.8	20.5	16.7	15.0	7.5	8.7	6.0	4.1	4.3	1.0	1.4
Randolph County	13.9	21.2	18.3	15.5	8.9	7.9	6.0	5.1	1.5	0.3	1.4
Elkins	16.2	19.5	16.4	15.3	7.3	7.6	6.1	6.4	2.4	0.2	2.5
Mill Creek	15.1	25.6	22.8	10.9	12.3	7.0	3.2	2.5	0.0	0.0	0.7
Tucker County	15.8	23.2	17.0	14.3	10.5	7.5	4.5	3.2	1.4	0.7	2.0
Davis	13.2	26.8	18.1	13.6	16.7	3.1	1.7	4.2	0.3	0.0	2.1
Parsons	17.4	23.0	17.8	14.7	11.7	5.9	5.3	1.6	0.5	0.6	1.4
Thomas	14.0	26.2	22.6	11.8	9.0	4.5	6.3	1.8	2.3	0.0	1.4
Webster County	25.0	22.8	17.0	13.4	7.5	5.2	5.0	2.2	0.5	0.5	0.9
Cowen	25.9	23.2	10.7	17.4	11.6	5.4	4.9	0.9	0.0	0.0	0.0
Webster Springs	26.7	22.2	17.8	13.4	4.9	4.6	4.4	4.2	1.0	0.7	0.0

*Income classes are expressed in thousands of dollars.

Income change by households in West Virginia, the Forest region counties, and gateway communities is displayed by income class in the table below for 1990 to 2000.

Table SO-14. Percentage Change of Households by Income Class for West Virginia, Forest Counties and Communities, 1990-2000

Area	Percent Change of Households by Income Class* for 1990-2000.										
	<10	10-20	20-30	30-40	40-50	50-60	60-75	75-100	100-125	125-150	>150
West Virginia	-9.0	-5.0	-1.4	0.2	1.5	2.2	3.9	4.1	1.7	0.6	1.1
Forest Counties	-10.9	-5.2	-1.3	3.1	2.7	2.9	3.6	2.8	1.0	0.3	1.1
Barbour County	-15.5	-3.2	0.8	5.3	2.7	2.7	3.2	2.2	1.1	0.2	0.4
Belington	-14.8	-4.7	0.5	3.9	2.4	3.5	5.9	2.2	0.3	0.3	0.7
Philippi	-5.3	-5.9	-4.4	3.8	2.2	0.3	3.0	4.3	0.6	0.8	0.5
Grant County	-9.9	-4.0	-0.9	-0.1	2.2	4.4	4.0	3.1	0.3	0.5	0.6
Petersburg	-13.7	0.6	1.3	-0.1	3.2	4.9	0.6	3.0	-0.9	0.8	0.3
Greenbrier Co.	-7.1	-6.6	-2.3	2.7	2.6	2.0	3.0	2.6	1.2	0.1	1.9
Lewisburg	-3.7	2.6	1.1	-4.6	2.3	0.4	-2.7	0.1	0.9	-0.4	4.0
Rainelle	-4.7	-5.1	0.5	2.6	-0.7	0.6	3.1	1.7	0.2	0.3	1.6
White S.S.	-13.3	-2.7	-1.1	5.9	-0.3	5.2	4.2	0.8	1.4	0.2	-0.4
Nicholas County	-11.1	-7.0	0.2	3.1	3.2	1.4	4.1	3.1	0.9	0.3	1.7
Craigsville	-1.9	-8.3	-4.9	3.3	3.7	2.3	6.0	-0.4	0.4	-0.8	0.7
Richwood	-7.3	-9.5	5.9	-3.7	6.5	5.0	0.5	0.4	1.2	0.0	1.2
Summersville	-15.2	0.3	3.5	-4.8	2.1	0.6	5.0	3.0	0.6	1.3	3.7
Pendleton County	-11.5	-9.7	0.0	4.5	6.1	2.0	4.0	1.7	0.7	0.6	1.6
Franklin	-9.1	-5.5	-7.0	5.4	-3.0	7.6	7.9	2.0	0.2	0.6	0.7
Pocahontas Co.	-12.1	-7.5	-2.9	4.9	4.3	4.4	3.9	2.6	1.6	0.3	0.5
Durbin	-13.2	-9.4	15.3	4.1	3.3	1.9	-0.5	0.8	0.0	0.0	-2.3
Hillsboro	-7.3	-9.5	-14.0	11.1	9.4	-5.0	9.9	3.6	0.0	0.0	1.8
Marlinton	-12.6	-3.8	0.7	4.8	0.1	2.8	3.0	1.1	2.3	0.4	1.1
Preston County	-10.1	-3.5	-2.7	1.1	3.9	3.1	3.4	2.8	0.9	0.5	0.7
Albright	-24.8	-1.3	12.8	-0.2	4.5	6.3	2.7	0.0	0.0	0.0	0.0
Kingwood	-10.3	-4.6	0.7	0.6	1.2	3.2	2.4	1.7	3.1	1.0	0.8
Randolph County	-12.3	-6.8	-1.2	4.3	2.5	4.2	4.0	3.5	1.0	0.0	0.9
Elkins	-11.9	-7.1	-2.3	4.3	1.1	3.1	4.1	4.7	2.4	-0.4	2.0
Mill Creek	-11.0	-6.3	-0.2	0.8	6.4	5.5	2.4	2.5	-0.8	0.0	0.7
Tucker County	-13.2	7.0	-4.1	1.9	-2.9	3.4	2.3	2.6	1.1	0.5	1.4
Davis	-10.3	-12.5	4.7	3.8	9.9	-1.6	0.6	3.6	0.3	0.0	1.5
Parsons	-10.2	-7.6	-0.6	4.0	4.1	3.6	3.2	1.3	0.5	0.6	1.1
Thomas	-5.1	-5.9	6.4	0.0	-1.5	-2.8	4.3	1.0	2.3	0.0	1.4
Webster County	-12.4	-6.6	1.3	5.4	1.7	3.3	4.2	1.7	0.1	0.4	0.8
Cowen	-6.8	-5.7	-11.2	10.0	4.6	5.4	4.1	-0.3	0.0	0.0	0.0
Webster Springs	-3.9	-7.3	0.7	4.2	1.5	3.3	0.6	1.8	-0.7	0.0	0.0

*Income classes are expressed in thousands of dollars.

Employment – There is a national trend toward a service and information based economy, and this trend can be seen in West Virginia and Forest region counties as well. In 2000, over 70 percent of occupations were in the Management/Professional, Service, and Sales/Office fields in West Virginia. For the Forest region counties, the percentage was lower at 64.7 (Table SO-15). Although the percentage of agricultural-based occupations was over three times higher in the Forest region counties than the state, this percentage (2.2) was still by far the lowest compared to other sectors. Table SO-15 shows that the Management/Professional sector had the highest percentage of employment at both the state and county levels, followed in descending order by Sales/Office, Production/Transportation, Service, Construction/Extraction/Maintenance, and Farming/Forestry/Fishing.

Table SO-15. Occupation Class Percentages in 2000 for West Virginia, Forest Counties and Communities

Area	Percent by Occupation Class, 2000*					
	Management, Professional	Service	Sales, Office	Farming, Forestry, Fishing	Constuction, Extraction, Maintenance	Production, Transportation
West Virginia	27.9	16.6	26.1	0.7	12.3	16.4
Forest Counties	24.2	18.2	22.3	2.2	14.2	18.9
Barbour County	24.6	17.4	22.7	1.2	16.9	17.2
Belington	21.7	19.6	19.5	1.0	15.5	22.6
Philippi	35.6	17.5	25.4	1.2	10.0	10.2
Grant County	21.4	13.2	19.3	2.9	12.9	30.2
Petersburg	26.4	13.5	21.2	0.9	11.1	26.9
Greenbrier County	26.0	20.9	24.4	2.2	12.0	14.4
Lewisburg	43.3	15.2	31.4	0.0	5.4	4.6
Rainelle	18.0	21.1	29.3	2.0	13.1	16.4
White S.S.	19.2	37.8	22.7	0.8	9.7	9.8
Nicholas County	23,8	17.1	24.3	1.9	15.4	17.5
Craigsville	20.2	21.3	23.0	1.7	15.9	18.0
Richwood	25.4	15.5	23.2	1.4	10.3	24.2
Summersville	30.6	19.7	31.1	0.0	10.7	7.9
Pendleton County	24.8	14.7	19.1	3.3	14.2	23.9
Franklin	28.1	17.1	29.4	3.4	6.1	15.9
Pocahontas Co.	25.1	20.9	20.9	4.4	14.3	14.4
Durbin	11.5	27.4	15.9	11.5	9.7	23.9
Hillsboro	17.8	23.3	22.2	0.0	20.0	16.7
Marlinton	28.9	23.3	23.3	2.3	9.7	12.5
Preston County	21.6	17.6	22.2	1.6	15.9	21.1
Albright	16.9	11.9	18.6	1.7	15.3	35.6
Kingwood	32.1	16.2	28.8	0.0	8.5	14.4
Randolph County	26.1	18.8	22.6	1.7	11.7	19.1
Elkins	34.3	17.9	25.3	1.3	7.2	14.0
Mill Creek	12.9	18.8	20.8	5.1	12.2	30.2
Tucker County	25.8	22.1	18.3	0.9	16.4	16.5
Davis	25.4	26.8	16.7	0.0	15.3	15.7
Parsons	26.4	17.1	22.6	0.5	12.4	21.0
Thomas	17.6	32.1	18.1	1.6	13.0	17.6
Webster County	22.2	16.0	18.8	5.5	17.8	19.8
Cowen	16.7	13,8	25.9	2.9	16.7	24.1
Webster Springs	33.7	17.5	26.3	1.4	11.6	9.5

*For population of employed persons 16 years and older

Table SO-16 shows how these occupation classes changed in the decade between 1990 to 2000. The fastest growing occupation classes between 1990 and 2000 were Management/Professional, Production/Transportation, and Sales/Office, while historically dominant natural-resource-related industries like Farming/Forestry/Fishing and Construction/Extraction decreased. Although the Service class decreased slightly for the state, it showed a slight increase (0.3%) in the Forest region counties (Table SO-16).

Table SO-16. Occupation Class Change Percentages from 1990 to 2000 for West Virginia, Forest Counties and Communities

Area	Percent Change by Occupation Class, 1990-2000					
	Management, Professional	Service	Sales, Office	Farming, Forestry, Fishing	Constuction, Extraction, Maintenance	Production, Transportation
West Virginia	5.9	-0.5	0.7	-1.3	-8.6	4.4
Forest Counties	5.7	0.3	1.9	-2.4	-9.3	4.2
Barbour County	3.2	0.5	0.1	-1.9	-3.7	2.4
Belington	7.8	-7.4	-4.3	0.0	-1.4	6.2
Philippi	-5.1	-2.9	1.6	0.6	2.4	3.8
Grant County	4.8	-3.5	1.8	-4.4	-14.8	16.2
Petersburg	1.0	-7.4	1.5	-1.4	-8.8	15.5
Greenbrier County	6.5	-1.1	3.5	-2.7	-8.3	2.7
Lewisburg	7.8	-5.5	10.5	-5.2	-6.0	-0.5
Rainelle	0.0	3.6	0.9	1.7	-7.6	1.4
White S.S.	-1.6	-5.0	4.3	-0.7	1.3	1.6
Nicholas County	5.5	0.0	2.7	0.1	-8.7	1.0
Craigsville	6.8	2.5	-1.5	1.7	-5.8	-3.7
Richwood	3.6	-7.0	0.7	0.7	-12.0	14.0
Summersville	-1.0	1.0	4.8	-1.8	-1.5	-0.8
Pendleton County	9.9	4.6	5.4	-6.4	-19.8	6.2
Franklin	0.9	2.6	9.3	-0.2	-22.7	10.1
Pocahontas Co.	8.2	2.3	2.1	-3.2	-7.2	-1.9
Durbin	6.8	10.5	-2.9	3.0	-9.1	-8.2
Hillsboro	-11.9	-6.4	12.8	0.0	10.6	-5.2
Marlinton	9.9	2.0	-2.9	0.4	-14.6	5.2
Preston County	5.0	3.1	1.4	-2.3	-11.8	5.3
Albright	11.5	-10.1	-6.0	-5.2	-1.2	10.9
Kingwood	2.0	3.8	2.0	-1.4	-5.2	-1.2
Randolph County	4.4	-1.7	-0.2	-2.2	-6.3	6.2
Elkins	7.2	-5.3	-1.3	-1.2	-7.0	7.6
Mill Creek	1.6	-4.8	6.6	2.3	-20.4	16.0
Tucker County	7.3	3.2	1.4	-3.8	-9.0	1.2
Davis	2.8	-1.4	-1.5	-1.5	-2.9	4.5
Parsons	4.5	-3.1	5.8	-0.5	-9.7	3.7
Thomas	9.5	5.2	-6.5	0.7	-12.6	3.7
Webster County	7.8	1.9	1.3	0.8	-10.0	-0.8
Cowen	-2.1	-6.3	7.1	2.9	-6.2	6.0
Webster Springs	-2.6	4.1	-4.2	1.4	0.8	0.5

Federal Payments to Counties

The relationship between counties and the Forest Service is an important one, in part because of economic benefits that the counties receive directly from the federal government. These direct benefits are primarily linked to two specific funds: 25 Percent Fund/Stabilized Payments, and Payments In Lieu of Taxes (PILT). Each payment source is described below.

25 Percent Fund and Stabilized Payments – These payments are made to the State of West Virginia for redistribution to counties in proportion to the number of acres of National Forest System land within each county. These payments are limited to use for schools and roads by the

Twenty Five Percent Fund Act of May 23, 1908, except that Public Law 89-207 (4/28/65), which established the Spruce Knob-Seneca Rocks National Recreation Area, authorized their use for schools, roads, and county government in counties containing NRA lands (Grant and Pendleton). West Virginia Code 20-3-17 and 20-3-17a allocate these funds 80 percent for schools and 20 percent for roads in all counties except Grant and Pendleton, where 65 percent is allocated for schools and 35 percent for general county purposes (none for roads).

The 25 Percent Fund/Stabilized Payments are also made for Hampshire, Hardy, Pendleton, and Monroe Counties for lands located in West Virginia within the George Washington and Jefferson National Forests. These payments are not included in Table SO-17.

Table SO-17. 25 Percent Fund or Stabilized Payments to Counties, 1993-2005

County	2006 Entitlement Acres	FY 1993 1993 Dollars	FY 1993 2005 Dollars*	FY 2005 2005 Dollars	1993-2005 Nominal % Change	1993-2005 Real % Change
Barbour	11	$15	$19	$8	- 47%	- 58%
Grant	20,001	$26,574	$33,897	$43,156	62%	27%
Greenbrier	108,128	$134,921	$172,102	$218,885	62%	27%
Nicholas	23,540	$31,352	$39,992	$16,981	- 46%	- 58%
Pendleton	81,801	$108,709	$138,667	$130,659	20%	- 6%
Pocahontas	310,188	$411,125	$524,423	$666,828	62%	27%
Preston	3,897	$5,190	$6,620	$8,460	63%	28%
Randolph	203,754	$269,600	$343,896	$434,986	61%	26%
Tucker	101,399	$135,016	$172,224	$214,388	59%	24%
Webster	65,800	$87,558	$111,687	$142,318	63%	27%
Totals	918,519	$1,210,060	$1,543,528	$1,876,669	55%	22%

Source: Albuquerque Service Center, USDA Forest Service
*Dollars inflated using a computed 1.276 Implicit Price Deflator for GDP from BEA NIPA Table 1.1.9

The original 25 Percent Fund was made up of 25 percent of National Forest receipts resulting from timber, livestock grazing, recreation, land uses, and mineral operations. Timber sale receipts include the value of roads constructed by timber purchasers, and deposits for sale area betterment under provisions of the Knutson-Vandenburg (KV) Act of 1930. Beginning in fiscal year (FY) 1993, payments for receipts from federal minerals were made directly by the Minerals Management Service (National Energy Bill of 1992). Payments made by the Minerals Management Service are not included in Table SO-7 but are discussed under Cumulative Effects.

In October of 2000 the *Secure Rural Schools and Community Self-Determination (SRSCS) Act* was passed. The SRSCS Act offered counties the option of receiving the traditional 25 percent payment based on revenue, or taking a “stabilized” annual payment based on the highest three years of payments for the years 1986 through 1999. The SRSCS Act was intended as a short-term (over ten years) measure to help counties dependent on Forest Service linked revenue while they diversified their local economies. In West Virginia, seven of the 10 counties with Forest lands opted to take the stabilized payment, beginning in FY2001. These counties are Greenbrier,

Pendleton, Pocahontas, Preston, Randolph, Tucker and Webster. Thus, the following table represents a mix of payment plans, based on county decisions, beginning in FY 1983.

How counties spend their funds under the stabilized (or "full") fund option, and when and how counties can opt for a different payment plan, are spelled out in the legislation. It is too complex to elaborate on here.

In 2006, the current Administration announced that the funding for the SRSCS Act had essentially run out for its final five years, and they put forth a proposal to sell federal land to acquire funding as part of the President's FY 2007 Budget. This proposal has not been approved or funded by Congress, though it has resulted in several alternative funding proposals by Congress. As of this writing, the fate of the SRSCS Act's funding is unknown. However, in the absence of a reauthorization and funding of the SRSCS Act, all counties with Monongahela NFS lands would again receive payments from the 25 Percent Fund.

Payments in Lieu of Taxes (PILT) – These payments are paid to the State of West Virginia for redistribution to the local governments of counties containing any of several specific types of federal lands, including National Forests. Counties receive payments in proportion to the amount of acreage of National Forest land within each county. These payments are made under the provisions of the Payments-in-Lieu of Taxes Act of 1976 (PL-94-565). The rate of payment is established for "entitlement acres" (lands on tax rolls at time of acquisition). PILT payments can be used for any governmental purpose. Additional payments are also made for a period of five years for lands acquired for National Forest Wildernesses. There are a number of special provisions of the law, most of which are not pertinent to West Virginia.

The actual amount of PILT payments in any year is subject to adequate Congressional appropriation of funds. Although the payments are authorized to increase over time, funds have not been appropriated to fully fund the authorized amounts in recent years.

Many counties in West Virginia, including several with Monongahela National Forest land, receive additional PILT payments for lands administered by the National Park Service, the Corps of Engineers, or the US Fish and Wildlife Service.

Payments are based on acres in Federal ownership at the <u>beginning</u> of the fiscal year for PILT and at the <u>end</u> of the fiscal year for the 25 Percent Funds, according to their respective enabling legislations. This situation results in some minor discrepancies between the entitlement acres used to figure the payments for PILT and those used for the 25 Percent Funds, as lands are often acquired in the middle of a fiscal year.

Table SO-18. Payments in Lieu of Taxes (PILT) to Counties, 1993-2006

County	2006 Entitlement Acres	FY 1993 1993 Dollars	FY 1993 2005 Dollars*	FY 2005 2005 Dollars	1993-2005 Nominal % Change	1993-2005 Real % Change
Barbour	11	$8	$10	$16	96%	54%
Grant	20,001	$7,351	$9,377	$17,976	145%	92%
Greenbrier	108,128	$75,637	$96,481	$154,197	104%	60%
Nicholas	23,540	$17,655	$22,520	$36,144	105%	60%
Pendleton	81,801	$18,899	$24,107	$76,625	305%	218%
Pocahontas	310,188	$231,316	$295,062	$376,270	63%	28%
Preston	3,897	$2,923	$3,729	$5,558	90%	49%
Randolph	203,754	$151,735	$193,550	$290,565	91%	50%
Tucker	101,399	$71,350	$91,013	$144,601	103%	59%
Webster	65,800	$49,305	$62,892	$93,834	90%	49%
Totals	918,519	626,179	798,741	1,195,786	91%	50%

Source: http://www.nbc.gov/pilt/search.cfm
*Dollars inflated using a computed 1.276 Implicit Price Deflator for GDP from BEA NIPA Table 1.1.9

Other Social Indicators

In the Forest Plan Revision process, indicators are selected to measure the effects of the Forest Plan revision alternatives on the social and economic environment. The following are the social and economic indicators that will be "tracked" for the alternatives. These indicators correspond to variables identified in Forest Service Manual (FSM) 1972.1 and 1973.2, and Forest Service Handbook (FSH) 1909.17, for social and economic analysis.

These variables include:

- Population
- Employment
- Income
- Lifestyles and social organization
- Attitudes, beliefs and values toward land use patterns
- Civil rights.

For the population indicator, current and projected populations for the 10 counties and 22 communities studied in detail are included earlier in this section. Employment and income trends are also reported for the counties and communities.

For the remaining indicators, the discussion is organized to reflect the Forest region counties and communities as a whole. The "region as a whole" was selected as the unit of measure because there is no specific data for which these indicators could be evaluated by a county or community.

Lifestyles and Social Organization

Information about lifestyles in the Monongahela area was drawn from this section's earlier discussions regarding county and community population changes.

Although the 10 industry types or 6 occupation classes are diverse, ranging from forestry to manufacturing to recreation, the people seem to share a common characteristic—an attraction to the natural setting of their communities. People cite the natural beauty of their area, as well as wildlife-related and recreational opportunities. Many express a desire to continue a "multiple-use" way of life, while recognizing that economic diversity and economic development are important.

In most areas, an increasing share of the economy is tied not to resource-related employment, but to the burgeoning service industry. With changing demographics and economies in many parts of the Forest region, people articulate the shifts and challenges their communities face. At the same time, many are proud of their counties, communities and surroundings, and want to retain viable communities for the future. Many cite a commitment of community members to help each other.

Attitudes, Beliefs, and Values Toward Land Uses Patterns

Information about land-use patterns in the Forest area was drawn from this section's earlier discussions regarding county population changes, and comments on Forest Plan revision.

Almost all letters or comments we have received about Forest Plan revision have expressed a particular point of view toward land uses. This orientation is based on, among other things, education, experiences as a Forest user, or personal attitudes, beliefs, and values. The same land uses can be construed as favorable by one user and unfavorable by another. Wilderness is a good case in point. Many people have written in support of more wilderness on the Forest to provide for recreational use and resource protection. Some said they would like to see the entire Forest turned into one large wilderness area. However, others have told us that they think we have enough or too much wilderness, and that any additional wilderness would restrict access to the Forest for traditional uses like driving for pleasure, wildlife habitat management, or timber harvest. Timber harvest has also been a controversial topic, with some advocating the end of all tree cutting on the Forest, some focused on the elimination of clear-cutting, and some in favor of more harvest to help local economies by providing jobs, income, and valuable products.

In general, there has been support for the following land uses or associated activities:

Air quality maintenance	Biodiversity	Ecosystem health
Education and interpretation	Erosion/sediment control	Flood prevention
Cultural resource protection	Land acquisition	Law enforcement
Managed services and goods	Native species	Old growth
Partnerships/collaboration	Private lands concerns	Public involvement
Research Natural Areas	Riparian area protection	Silvicultural methods
Vegetation management	Watershed health	Diverse land allocations

There has been a consensus of non-support for the following land uses or associated activities:

Bear baiting with dogs	Habitat fragmentation	Pesticide/herbicide use

Snowmobile use

There have been very mixed reactions for the following land uses or associated activities:

Road construction	ATV or ORV use	Commercial logging
Deer control	Gas/mineral extraction	Horse use
Invasive species control	Prescribed fire	Roadless areas
Social and economic concerns	Trail uses and designations	Visitor opportunities
Access	Wilderness	Wildlife management

While there may be widespread interest in environmental and public land issues, there is often little agreement on how to resolve these issues, or what the outcome should be.

Civil Rights

Information about civil rights in the Forest area was drawn from this section's earlier discussions of state and county demographics, as well as personal contacts.

Although West Virginia and the Forest counties and communities remain largely White, there is evidence that populations are becoming slightly more diverse. Black/African Americans comprise 3.2 percent of the state's population, with the Hispanic population the second largest minority at 0.7 percent. Hispanics appear to be growing faster than any other ethnic group. Although few data are available, there is a sense that the state's minorities use and relate to National Forests in ways similar to West Virginia's predominantly white population.

Table SO-19. Ethnic Composition of West Virginia and Forest Counties and Communities

Area	Percent Ethnic Composition in 2000					
	White	Black/African American	American Indian	Asian/Pacific Islander	Other	Hispanic*
West Virginia	95.0	3.2	0.2	0.5	0.2	0.7
All Forest Counties	97.7	1.0	0.2	0.2	0.1	0.6
Barbour County	97.4	0.5	0.7	0.3	0.1	0.5
Grant County	98.3	0.7	0.3	0.2	0.1	0.5
Greenbrier County	95.2	3.0	0.3	0.2	0.2	0.7
Nicholas County	98.8	0.1	0.2	0.2	0.1	0.5
Pendleton County	96.3	2.1	0.3	0.2	0.3	0.9
Pocahontas County	98.4	0.8	0.1	0.1	0.1	0.4
Preston County	98.8	0.3	0.1	0.2	0.0	0.6
Randolph County	97.7	1.1	0.2	0.4	0.2	0.7
Tucker County	98.9	0.1	0.2	0.1	0.1	0.2
Webster County	99.2	0.0	0.1	0.1	0.0	0.4

* Hispanic composition is calculated as its own subset, as the Census Bureau does not include Hispanic as part of its ethnic categories.

Table SO-20. Ethnic Change in West Virginia and Forest Counties and Communities 1990-2000

Area	Percent Change in Ethnic Composition, 1990-2000					
	White	Black/African American	American Indian	Asian/Pacific Islander	Other	Hispanic*
West Virginia	-1.2	0.1	0.0	0.1	0.1	0.2
All Forest Counties	-0.7	0.1	0.0	0.0	0.1	0.3
Barbour County	-0.6	-0.1	-0.5	0.1	0.1	-0.2
Grant County	-0.1	-0.3	-0.1	0.0	0.1	0.4
Greenbrier County	-0.7	-0.7	0.2	0.1	0.1	0.4
Nicholas County	-0.7	0.0	0.2	-0.1	0.0	0.2
Pendleton County	-1.4	0.0	0.3	0.1	0.2	0.6
Pocahontas County	-0.4	-0.1	-0.1	0.0	0.0	0.2
Preston County	-0.3	-0.1	-0.1	0.0	0.0	0.4
Randolph County	-1.2	0.5	0.0	0.0	0.1	0.5
Tucker County	-1.0	0.0	0.0	0.1	0.1	0.2
Webster County	-0.6	-0.1	0.0	0.1	-0.1	0.3

Economic and Financial Efficiency

Economic efficiency is measured by comparing estimated Forest revenues or receipts where money changes hands to actual or estimated costs. Revenues included in this analysis were estimated monies collected at developed campsites, receipts for timber purchases, and monies received for livestock grazing, mineral leases, and special use permits. The costs used in this analysis were derived from the estimated budget costs at the experienced budget levels for FY 2002. The analysis compares the financial efficiency of the four alternatives over a 50-year period. Estimates for the calculations were determined using information from budget ledgers and forest files and entered into a Forest Service designed spreadsheet to calculate the results. Baseline conditions will be presented as part of the economic efficiency analysis in the Environmental Consequences section.

ENVIRONMENTAL CONSEQUENCES

Laws and Regulations

The USDA Forest Service is subject to a variety of laws and regulations for the management of natural resources. These laws and regulations also provide guidance to help the Forest Service fulfill its obligations to the local communities in which National Forests and Grasslands reside. The following is a list of important legal and administrative policy areas to be considered when describing economic and social effects of management actions on local communities.

- The Twenty Five Percent Fund Act of 1908 authorizes that 25 percent of the monies received during the fiscal year from each national forest shall be paid by the U.S. Treasury to the State

in which the national forest is situated for the benefit of public schools and roads of the counties in which the national forest is situated.

- The National Environmental Policy Act of 1969 (NEPA) requires that consequences to the human environment be analyzed and disclosed. The extent to which these environmental factors are analyzed and discussed is related to the nature of public comments received during the public involvement process, from initial scoping through the preparation of the Final Environmental Impact Statement (FEIS).

- The Forest and Rangeland Renewable Resources Planning Act (RPA) of 1974 as amended by the National Forest Management Act (NFMA) of 1976 requires that renewable resource programs be based on a comprehensive assessment of present and anticipated uses. The demand for and supply of renewable resources must be determined through an analysis of environmental and economic impacts. Local community impacts as well as economic cost-efficiency considerations must be considered when revising a forest plan.

- The Payments in Lieu of Taxes Act of 1976 (PILT) authorizes compensation to counties in lieu of property taxes that cannot be levied against federal lands within the counties' jurisdiction.

- Executive Order 12898 requires that planning alternatives be assessed for environmental justice concerns to determine whether or not any of the alternatives disproportionately affect minority and/or low-income populations.

- The Secure Rural Schools and Community Self-Determination Act of 2000 (SRSCS) specifies how states and counties will be compensated for impacts associated with revenues generated from National Forest System lands.

These laws and other guidelines outline the need for the Forest to analyze and consider the economic and social effects of the Forest Plan on local communities.

Direct and Indirect Effects by Alternative

Population

Table SO-3, included under Current Conditions, shows population figures for each of the 10 counties. Forest Plan alternatives could have an indirect influence on county or community populations, but how and where this influence would occur cannot be predicted with any accuracy. For example, all alternatives have the potential to increase timber production, and an increase could bring more forestry and manufacturing jobs to the area. Alternative 4 would potentially increase production the most, followed in order by Alternatives 1, 2, 2M, and 3. Whether these jobs translate into population increases would depend on how much new and relatively permanent industry is created within the Forest region. Timber that is shipped and processed outside of the region may have little if any effect on local populations. Because the difference in the maximum potential of timber production between alternatives is not substantial (30 mmbf), it is doubtful that this influence on population would vary much by alternative.

Conversely, the perception of the Forest region as a retirement area or less stressful place to live may be enhanced by alternatives that emphasize backcountry recreation in a rural setting and provide less opportunity for commodity production, increased logging traffic, or smoke from prescribed fire. However, even under Alternative 4, which has the highest amount of production-related activities, over 60 percent of the Forest would receive little or no ground-disturbing activities (see *Soil Resource* section), and there would be abundant opportunities for recreation in a rural and relatively undisturbed environment. Therefore, it is doubtful that this influence on population would vary much by alternative or have much of an effect.

Lifestyles and Social Organization

Under all alternatives, rural communities would likely continue to provide some opportunities for resource-dependent lifestyles; however, these communities would also likely continue to look for opportunities to diversify their economies. All alternatives have a mix of opportunities, goods, and services that would provide some flexibility that may help communities to adapt or diversify their economies in the future. Although the differences between alternatives are not great, Alternative 4 may provide somewhat more opportunity to increase forestry-related or wood product manufacturing jobs in local communities, whereas Alternative 3 may provide more outdoor recreation or recreation-based tourism opportunities. Alternatives 2 and 2M would likely have intermediate effects compared to Alternatives 4 and 3. Alternative 1, No Action, would represent the least amount of change from the current situation. The overall effects of any alternative alone, however, would not likely have a dramatic influence on the existing lifestyles or social organization of communities in the Forest region.

Attitudes, Beliefs and Values Toward Land Use Patterns

As noted in the Current Conditions secton, rural areas within the Forest region are expected to grow only slightly over the next few decades. Many of the rural areas encompass large areas of federally-managed land. Under all alternatives, land use patterns would likely remain the same, with a mix of managed and unmanaged land. Under Alternative 4, there would likely continue to be a mix of managed and unmanaged land, with a somewhat higher percentage of managed land than under the remaining alternatives. Under Alternative 3, there might be some shift to wildland interface areas as new residents, attracted to non-motorized recreation and/or roadless features, move in. Alternatives 2 and 2M would not indicate a significant change from Alternative 1, which represents the current situation. However, despite the increase in locationally independent lifestyles such as telecommuting or entrepreneurship, it has been difficult to discern anything like a rural renaissance in West Virginia. It is more likely that there would continue to be a mix of attitudes, beliefs, and values toward land uses and patterns in local counties and communities that tend to polarize around Forest-related issues such as wilderness, commodity production, and recreation uses. These attitudes, beliefs, and values would not likely change by alternative or because of the alternatives.

Civil Rights

Under all alternatives, it is likely that the people in the Forest region will become racially more diverse, while remaining largely white and Anglo-Saxon. Although few data are available, there

is a sense that the region's minorities use and relate to National Forests in ways similar to the region's predominantly white population, and that these relationships would likely continue. Effects would not likely change by alternative or because of the alternatives.

Environmental Justice - All federal actions, including forest plan revision, are required by Executive Order 12898 to address questions of equity and fairness in resource decision making. This section considers the effects of the alternatives to identify potentially disproportionate effects on minority and low-income communities. Ethnicity and income levels for local counties and communities were summarized in the Current Conditions section. There is no indication that any of the alternatives would adversely or disproportionately affect racial minorities or low income groups. If any portion of the predicted increases in employment and income reported below come to pass, they should have positive effects on local communities and counties whose current median income levels are considered well below the national average.

Employment and Income

Differences across Forest Service management alternatives are reflected in differences in potential Forest outputs. Four broad output sources are considered: timber, minerals, range, and recreation. Outputs from these sources contribute in varying degrees to local community and county economies. This discussion includes estimates of the impact of Forest Service management alternatives on the jobs and incomes of nearby communities. The need to assess local economic impacts is spelled out in Forest Planning regulations (40 CFR 1502.15 and 36 CFR 219.11(a) and 219.12(e)), and relevant portions of the Forest Service Handbook.

Time frames in Forest Planning vary, depending on what Forest Service outputs are tracked, and why they are projected. Timber inventory, for example, responds to management directions in ways that can be predicted several decades into the future. On the other hand, recreation projections for as short a time frame as five or 10 years require substantial conjecture regarding such variables as population movements and the public's taste for outdoor recreation.

Employment - The Forest generates money through various sources, and this money has the ripple effect of creating or sustaining jobs in its area of influence. These jobs were estimated by alternative using the IMPLAN model (IMPLAN Professional Version 2.0, Minnesota IMPLAN Group, Inc.) and they are displayed below in Table SO-21. The model uses the 2002 IMPLAN database of county-level business transactions.

In response to comments on the DEIS, model values used to calculate timber-related jobs (and income) were reviewed and customized to reflect differences between logging practices and values in this region and the national averages used in the IMPLAN model. The results show an overall decrease in jobs for the timber harvest source for the current condition and across all alternatives between Draft and Final. Employment related to recreation visits increased between Draft and Final, primarily due to an increase in the predicted rate of recreation use. The current condition for recreation (and wildlife and fish related) visits, however, decreased between Draft and Final because the IMPLAN spending category related to overnight on-Forest visits was removed. It was removed from consideration because this Forest has no overnight facilities such as lodges or ski resorts where significant spending would occur.

Table SO-21. Employment by Source by Alternative (Average Annual, Decade 1)

Source	Number of Forest-Linked Jobs					
	Current	Alt. 1	Alt. 2	Alt. 2M	Alt. 3	Alt. 4
Recreation Visits	596	753	753	753	753	753
Wildlife and Fish Related Visits	240	322	322	322	322	322
Livestock Grazing	6	6	6	6	6	6
Timber Harvest	142	748	746	742	577	945
Mineral Operations	12	12	12	12	12	12
Payments to States/Counties	54	54	54	54	54	54
Other Forest Service Expenditures	253	291	283	283	271	299
Total Forest-Linked Jobs	1,303	2,186	2,176	2,172	1,995	2,391
Percent Change from Current	---	67.8%	67.0%	66.7%	53.1%	83.5%

As seen in Table SO-21, Forest Service-linked employment is expected to be relatively static under all alternatives in the next 10 years for all Forest sources except timber harvest. Livestock grazing and mineral operations are at fairly low levels on the Forest, and are not expected to increase measurably over the planning period. Payments to counties have also been stabilized in the recent past, although the situation could change in the near future (see analysis for Federal Payments to Counties, below). Recreation and Wildlife/Fish related visits are projected to increase somewhat for all alternatives due to general population and recreation interest increases, but there is no evidence to show that the visits would differ substantially from one alternative to another, as the activities these visits represent occur all over the Forest in both motorized and non-motorized forms. It is assumed that if one alternative has a shift from motorized to non-motorized ROS opportunities (or vice versa), the use would shift as well, but the overall use of a given area would not necessarily increase due to the shift. Forest Service Expenditures, on the other hand, change somewhat between alternatives based primarily on the varying amount of Forest personnel needed to implement different levels of timber operations.

Timber-related increases in employment are estimated by alternative based on maximum projected volume outputs generated by the Spectrum model to achieve desired vegetation conditions for the Forest (see *Timber Supply* section and *Appendix B* for more information on the Spectrum model and how it was used). Increases in projected employment over current levels range from 52 percent in Alternative 3, to 83 percent in Alternative 4.

It is important to note that both Spectrum and IMPLAN are comparing the current condition with the potential upper limits of production in the five alternatives. If major changes in production and jobs occur, industry would need time to adjust to capacity. IMPLAN assumes only minor changes to local industrial capacity—such as adding more workers to process more logs, or laying off workers because fewer logs are being processed—rather than large-scale adjustments such as closing or constructing processing mills.

Table SO-22 displays how the jobs generated in Table SO-21 would be distributed within the major industrial sectors found in the MNF 10-County Region.

Table SO-22. Employment by Industry Sector by Alternative (Average Annual, Decade 1)

Industry	Number of Forest-Linked Jobs					
	Current	Alt. 1	Alt. 2	Alt. 2M	Alt. 3	Alt. 4
Agriculture	50	224	202	201	181	247
Mining	18	21	21	21	20	21
Utilities	4	7	7	7	6	8
Construction	23	29	29	29	28	31
Manufacturing	80	343	362	359	265	457
Wholesale Trade	51	79	79	79	74	85
Transportation & Warehousing	22	46	47	47	40	54
Retail Trade	232	311	311	311	302	321
Information	6	10	10	10	10	11
Finance & Insurance	7	14	14	14	12	16
Real Estate & Rental & Leasing	20	30	29	29	28	32
Professional, Scientific & Tech Services	23	34	34	34	31	37
Management of Companies	2	5	5	5	4	5
Administration and Waste Management	11	20	20	20	19	22
Educational Services	5	8	8	8	7	8
Health Care & Social Assistance	40	69	69	69	62	76
Arts, Entertainment, and Recreation	47	69	69	69	69	70
Accommodation & Food Services	422	559	559	559	553	567
Other Services	31	67	67	66	57	77
Government	209	241	236	236	229	245
Total Forest-Linked Jobs	1,301	2,185	2,177	2,172	1,995	2,389
Percent Change from Current	---	67.9%	67.3%	66.9%	53.3%	83.6%

Not all jobs are accounted for as some would fall outside of the sectors listed in the table. The Forest-linked jobs would ripple through all sectors of the economy; however, some sectors would be affected more than others. The Agriculture and Manufacturing sectors, for example, show triple or quadruple their jobs, while other sectors show more modest gains, depending on the alternative. The larger increase in the Agriculture and Manufacturing sectors are directly related to the substantial increase projected for the timber harvest source (see Table SO-21), whereas the other sectors are showing more indirect or induced effects from projected increases in all source revenues.

Income - The money and jobs that the Forest generates through its programs and payments also ripple through the economy as income. This income was estimated by alternative using the IMPLAN model and is displayed below in Table SO-23. Changes in the modeling and outputs seen between Draft and Final are explained by the same rationale as presented in the Employment section, above.

Table SO-23. Labor Income by Source by Alternative (Average Annual, Decade 1)

Source	Forest-Linked Income (in Thousands of 2005 Dollars)					
	Current	Alt. 1	Alt. 2	Alt. 2M	Alt. 3	Alt. 4
Recreation Visits	12,921	16,348	16,348	16,348	16,348	16,348
Wildlife and Fish Related Visits	4,929	6,855	6,855	6,855	6,855	6,855
Livestock Grazing	38	38	38	38	38	38
Timber Harvest	4,629	24,846	24,546	24,390	19,201	31,062
Mineral Operations	427	427	427	427	427	427
Payments to States/Counties	2,136	2,136	2,136	2,136	2,136	2,136
Other Forest Service Expenditures	10,783	12,421	12,073	12,061	11,538	12,742
Total Forest-Linked Income	$35,863	$63,071	$62,423	$62,255	$56,544	$69,608
Percent Change from Current	---	75.9%	74.1%	73.6%	57.7%	94.1%

Similar to Forest-linked jobs, Forest-linked income is expected to be relatively static under all alternatives in the next 10 years for all Forest sources except timber harvest. Increases in projected income over current levels range from 58 percent in Alternative 3, to 94 percent in Alternative 4. The income percentage increases are somewhat higher than the job percentage increases in Table SO-21 because the additional timber and manufacturing jobs created would provide relatively high income for jobs for this region. Table SO-24 displays how the income generated in Table SO-23 would be distributed within the major industrial sectors in the area.

Table SO-24. Labor Income by Industry by Alternative (Average Annual, Decade 1)

Industry	Forest-Linked Income (in Thousands of 2005 Dollars)					
	Current	Alt. 1	Alt. 2	Alt. 2M	Alt. 3	Alt. 4
Agriculture	1,244	8,313	7,368	7,319	6,565	9,215
Mining	1,123	1,336	1,334	1,334	1,322	1,348
Utilities	324	657	663	661	575	759
Construction	796	1,010	996	994	944	1,056
Manufacturing	2,572	10,935	11,517	11,462	8,416	14,568
Wholesale Trade	1,989	3,053	3,065	13,044	2,862	3,286
Transportation & Warehousing	667	1,483	1,518	1,513	1,267	1,774
Retail Trade	4,158	5,662	5,643	5,638	5,462	5,863
Information	190	308	307	306	283	334
Finance & Insurance	241	506	504	502	440	579
Real Estate & Rental & Leasing	315	475	468	467	432	511
Professional, Scientific & Tech Services	773	1,182	1,174	1,171	1,076	1,284
Management of Companies	136	260	260	260	232	293
Administration and Waste Management	202	340	341	341	311	375
Educational Services	73	122	121	121	111	134
Health Care & Social Assistance	1,299	2,240	2,217	2,211	2,013	2,466
Arts, Entertainment, and Recreation	903	1,323	1,323	1,322	1,313	1,334
Accommodation & Food Services	7,611	10,329	10,325	10,323	10,239	10,426
Other Services	556	1,242	1,242	1,237	1,059	1,449
Government	10,691	12,295	12,037	12,028	11,622	12,555
Total Forest-Linked Income	$35,863	$63,071	$62,423	$62,255	$56,544	$69,608
Percent Change from Current	---	75.9%	74.1%	73.6%	57.7%	94.1%

As seen in Table SO-24, Forest-linked income would ripple through all sectors of the economy; however, some sectors would be affected more than others. The Agriculture and Manufacturing sectors, for example, nearly triple or quadruple their jobs, while other sectors show more modest gains, depending on the alternative. Again, the larger increases in the Agriculture and Manufacturing sectors are directly related to the substantial increase projected for the timber harvest source (see Table SO-23), whereas the other sectors are showing more indirect or induced effects from projected increases in all source revenues.

It is important to remember that the projected employment and income increases for this analysis are based primarily on *maximum potential* timber production under each alternative projected by the Spectrum model. Timber production is the dominant influence on economic outputs. These projected outputs have been compared to current outputs that are based on actual resource production averaged over the past 10 years. The discrepancy between the outputs projected for Alternative 1, which represents the 1986 Plan as amended, and the current or actual outputs over the past 10 years is the result of many factors. These factors include but are not limited to appeals and litigation, reductions in Forest personnel, changes in law or policy, silvicultural and resource decisions made at the project level, and other Forest priorities (such as Forest Plan amendments or revision). Only time will tell how these and other factors may affect the projected outputs that are being made under this Forest Plan revision.

If the actual timber production over the past 10 years had achieved the 1986 Plan projections, it would now be very close to the Forest Plan revision estimates for Alternative 1, No Action. Indeed, many forest-level economic analyses use the No Action Alternative as the current or baseline condition for purposes of comparison. Table SO-25 shows how Alternatives 2, 2M, 3, and 4 compare with Alternative 1 under this scenario.

Table SO-25. Forest-Linked Employment and Income Comparison by Alternative, Using Alternative 1 as the Current or Baseline Condition

Indicator	Alt. 1 (Current)	Alt. 2	Alt. 2M	Alt. 3	Alt. 4
Forest-linked Jobs	2,185	2,177	2,172	1,995	2,389
Percent Change from Current	---	- 0.4%	- 0.6%	- 9%	+ 9%
Forest-linked Income ($1,000)	$63,071	$62,423	$62,255	$56,544	$69,608
Percent Change from Current	---	- 1%	- 1%	- 10%	+ 10%

Table SO-25 shows that, comparatively speaking, Alternatives 2 and 2M would potentially produce a very similar amount of jobs and 1 income as Alternative 1, with slight reductions based on timber production potential. Alternative 3 would produces 9 percent fewer jobs and 10 percent less income than Alternative 1, while Alternative 4 would produces 9 percent more jobs and 10 percent more income than Alternative 1.

Federal Payments to Counties

As noted in the Current Conditions section, the Forest makes payments to counties through two primary sources: 25% Fund/Stabilized Payments, and Payments In Lieu of Taxes (PILT).

25 Percent Fund/Stabilized Payments – These payments are made to the State of West Virginia for redistribution to counties in proportion to the number of acres of National Forest land within each county. Payments are generally limited to use for schools and roads. Following passage of the SRSCS Act, Barbour, Grant, and Nicholas Counties chose the 25 Percent Fund, while the other seven counties in the Forest region switched to Stabilized Payments. The 2005 payments from the Monongahela National Forest for all counties are shown in Table SO-26.

Table SO-26. Forest-related 25 Percent Fund/Stabilized Payments to Counties for 2005

County	Payment	% of Total
Barbour County	$8	0%
Grant County	$43,156	2%
Greenbrier County	$218,885	12%
Nicholas County	$16,981	1%
Pendleton County	$130,659	7%
Pocahontas County	$666,828	36%
Preston County	$8,460	0%
Randolph County	$434,986	23%
Tucker County	$214,388	11%
Webster County	$142,318	8%
Totals	**$1,876,669**	**100%**

Source: Albuquerque Service Center, USDA Forest Service

The total 25 Percent Fund/Stabilized Payments to the 10 counties within the Forest region are approaching two million dollars annually. These payments have been relatively steady since 2001, the year after the SRSCS Act of 2000, although they have risen slightly due to new lands acquired in federal ownership. Because 97 percent of these payments are stabilized, they may not change much by alternative over the next several years if the counties remain with Stabilized Payments, and if the SRSCS Act can be adequately funded by Congress. Currently, the funding source for the SRSCS Act is unknown, but counties would receive the 25 Percent Fund if the SRSCS Act is not funded.

If the counties that have chosen Stabilized Payments return to the 25 Percent Fund, the amounts they receive would shift to 25 percent of the annual revenues generated by the Forest. Based on estimates from the IMPLAN model, these revenues could be potentially much higher than they have been in the recent past. However, based on recent history, Forest revenues have fluctuated greatly, depending primarily on how much timber is produced. Projected timber production would be highest in Alternative 4, followed closely by Alternatives 1, 2, and 2M, which have fairly similar production potential, and then Alternative 3, which has considerably less potential.

Payments-in-Lieu of Taxes (PILT) – These payments are paid to the State of West Virginia for redistribution to the governments of counties containing specific types of federal lands, including national forests. Counties receive payments in proportion to the amount of acreage of national forest land within each county. PILT payments can be used for any governmental purpose.

The actual amount of PILT payments in any year is subject to Congressional appropriation of funds. Although the payments are authorized to increase over time, funds have not been appropriated to fully fund the authorized amounts in recent years. The 2005 payments from the Forest for all counties are shown in Table SO-27.

Table SO-27. Forest-related PILT Payments to Counties for 2005

County	Payment	% of Total
Barbour County	$16	0%
Grant County	$17,976	2%
Greenbrier County	$154,197	13%
Nicholas County	$36,144	3%
Pendleton County	$76,625	6%
Pocahontas County	$376,270	31%
Preston County	$5,558	0%
Randolph County	$290,565	24%
Tucker County	$144,601	12%
Webster County	$93,834	8%
Totals	**$1,195,786**	**100%**

Source: USDI – www.nbc.gov/pilt/search.cfm

Because these payments are solely based on the amount of federal land within each county, they would not be affected by Forest Plan alternatives, nor would they change by alternative. Based on payments received over the last 20 years, however, it is expected that PILT payments may continue to show modest increases (see Table SO-18) over the next decade under any alternative.

Economic and Financial Efficiency

The economic and financial efficiency analysis examines revenue and cost implications from the perspective of the Forest Service. It could also be said that this is the perspective of the taxpayer. We are evaluating how efficiently the Government spends money (taxes) to achieve desired conditions. Only those costs and revenues that are recorded in financial records are included in financial efficiency analysis. The Forest Service is not a business. Revenues collected are sent to the federal treasury, from where some are returned to the Forests as Trust Funds, some are returned to the States where they were generated, and some stay in the treasury to fund government programs in general. In addition, the market sets many of the prices for Forest Service provided goods and services. Some, such as grazing fees, are set by Congress.

Economic efficiency attempts to account for many of the non-market benefits, individual values, or other values, benefits, and costs that are not easily quantifiable. To this end, the Forest Service has developed resource pricing and valuation procedures. These include values where

dollars do not change hands, but some relatively intangible resource output is assigned a value. For example, a wilderness visit is assigned a dollar value, even though we are not collecting fees for visiting our wilderness areas. This valuation, at this time, has not been extended to valuing the existence of some resources. For example, we recognize that many Americans are passionately concerned about wilderness or roadless areas in general, even though most Americans have not visited the roadless or wilderness areas on this Forest. Values not included in this part of the analysis are often at the center of interest and disagreement that people have about forest resource management activities. Therefore, economic efficiency should not be viewed as an ultimate answer but as one of many tools that decision makers use to gain information about resources, alternatives, and trade-offs between quantifiable costs and revenues.

Net present value (NPV) also includes a financial efficiency analysis that has outputs—including timber, grazing, and recreation—to which monetary values, or market prices, are assigned. In deriving NPV figures, costs are subtracted from revenues to yield a net value. "Future values" (i.e., revenues received in the future) are discounted using an appropriate discount rate to obtain a "present value". The costs used in this analysis are the estimated budget costs for fiscal year 2002.

Table SO-28 displays the economic and financial efficiency, and the aggregate NPV for each alternative. A 4 percent discount rate was used over a period of 50 years (2005-2054). While the planning period for the Forest Plan is 10-15 years, the NPV analysis considers costs and revenues into the future to account for long-term revenues and costs. Although the question of the appropriate discount rate to use is debatable, the four percent level is consistent with what is commonly used in evaluation of public policy. Revenues are not reduced for payments made to states and counties. The reduction of NPV in any alternative as compared to the most financially efficient solution is the economic trade-off, or opportunity cost, of achieving that alternative.

Table S0-28. Economic and Financial Efficiency by Alternative

Alternative	Assigned Values (Economic Efficiency)	Market Prices or Values vs. Costs (Financial Efficiency)	Market and Non-market Values (Net Present Value)
Alternative 1	$1,391,902	$453,373	$1,845,274
Alternative 2	$1,391,902	$428,708	$1,820,609
Alternative 2M	$1,391,902	$423,797	$1,815,699
Alternative 3	$1,391,902	$314,776	$1,706,677
Alternative 4	$1,391,902	$518,541	$1,910,442

Economic efficiency does not change by alternative because the non-market assigned values are the same for all alternatives and they are not expected to change quantifiably by alternative over time. The market value differences are primarily related to timber costs and revenues, which do vary by alternative. When combined together, all alternatives show a net positive value, but all alternatives are fairly close in NPV, with only a 12 percent difference between the highest (Alternative 4) and the lowest (Alternative 3).

Cumulative Effects

Cumulative effects analysis discusses the *context* of the alternatives' effects within the planning area. For this analysis, the area encompassed by the 10 counties and 22 communities described earlier is generally considered the cumulative effects analysis area, because it represents the contiguous geographic area most affected by social and economic changes in management of the Monongahela National Forest.

Social and economic changes in the cumulative effects analysis area are caused by actions initiated by various businesses, governments, and other organizations. Many decisions will be made over the next decade, all potentially affecting social and economic factors such as jobs and income; lifestyles; and attitudes, beliefs and values. As noted earlier in this analysis, some of these decisions arise from litigation, or new environmental regulations or analysis requirements adopted at a national level—factors outside the scope of Forest Plan revision. Specific findings for each social and economic indicator are discussed below.

Population

Between 1990 and 2000, West Virginia had the second lowest percent increase in population (0.8%) of all 50 states. Of the four censuses previous to 2000, West Virginia had a decrease in population three times. With numbers like these, the state's population is only projected to increase by 17,000 people between now and 2025—the lowest projected change of any state in the nation (Campbell 1996).

The MNF 10-County Region showed almost no (0.1%) increase in population between 1990 and 2000. This number is deceiving, however, as several counties had increases in population above that of the state average, and several had decreases in population. This localized trend will likely continue, regardless of the Forest's contribution to the region's economies. For example, the projected increase in timber production under all Forest Plan alternatives could influence industry to build a lumber mill or wood product manufacturing plant in the Forest's region, but industry would decide where or when that mill or plant would be built, and the amount of jobs it would create.

Another outside influence could be the construction of Corridor H, a large four-lane highway that would improve access to the Forest region from the Washington D.C.-Baltimore area. It is expected that Corridor H will increase visitation to the Forest, but it could also increase the attractiveness of the area for summer or retirement homes, which could affect local populations. If this should occur, the influence would likely be felt more in the northern counties of the Forest region, closer to the constructed corridor.

Lifestyles and Social Organization

Under all alternatives, the 10-county/22-community cumulative effects area would continue to provide a diversity of lifestyles, ranging from urban recreationists to farmers and loggers. Consequently, no measurable cumulative impact from any of the Forest Plan Revision alternatives is anticipated. It is more likely that local differences in lifestyles and social

organization would be affected by events such as the construction of a manufacturing plant or Corridor H, as described under the Population cumulative effects, above.

Attitudes, Beliefs and Values Toward Land Use Patterns

Under all alternatives, the 10-county/22-community cumulative effects area would likely continue to exhibit widespread interest in natural resources and public land issues as well as diversity in attitudes, beliefs, and values about these resources and issues. Consequently, no measurable cumulative impact from any of the Forest Plan Revision alternatives is anticipated.

Although attitudes and beliefs tend to be polarized around such land use issues as wilderness, commodity production, or recreation uses, underlying values expressed toward community and the region tend to be similar. Most residents are proud of their communities, counties and surroundings, and would like to ensure their future viability. County commissioners and citizens alike have a mutual respect and appreciation for the land, but also a mutual interest in increasing the prosperity of their communities to maintain or improve schools, roads, and other infrastructure, to support and attract successful businesses, and to provide more opportunity for their family and friends to live, work, and play closer to home.

Civil Rights

Under all alternatives, it is likely that West Virginia would become racially more diverse, while remaining largely white and Anglo-Saxon. Although few data are available, there is a sense that the state's minorities use and relate to national forests in ways similar to the predominantly white population of the state, and that this relationship would likely continue regardless of the Forest Plan alternative selected. Consequently, no cumulative impact from any of the Forest Plan Revision alternatives is anticipated.

Employment and Income

Table SO-29 indicates the number and percentage of cumulative jobs and income in the MNF 10-County Region currently linked to Forest Service activities.

If the projected alternative outputs are fully realized, the amount and percentage of employment contribution to the 10-County Region could increase as much as seen in Table SO-30 for the first decade. Table SO-30 shows that the alternatives could potentially increase Forest-linked jobs from the current 1.9 percent to a range of 2.6 in Alternative 3 to 3.2 percent in Alternative 4. Alternatives 1, 2, and 2M make a similar 2.9 percent contribution.

Table SO-29. Current Forest-Related Contributions to the 10-County Region Economy

Industry Sector	Employment (jobs)		Labor Income ($ Thousands)	
	Area Totals	FS-Related	Area Totals	FS-Related
Agriculture	6,346	50	$59,089.2	$1,244.4
Mining	2,118	18	$132,663.9	$1,123.2
Utilities	483	4	$38,432.9	$324.1
Construction	5,111	23	$171,736.6	$796.2
Manufacturing	6,842	80	$238,584.0	$2,572.1
Wholesale Trade	1,157	51	$44,407.9	$1,989.4
Transportation & Warehousing	2,822	22	$107,467.7	$666.5
Retail Trade	8,883	232	$196,455.8	$4,158.1
Information	489	6	$17,538.2	$190.2
Finance & Insurance	1,405	7	$49,235.5	$240.5
Real Estate & Rental & Leasing	1,610	20	$35,517.0	$314.6
Professional, Scientific & Tech Services	1,888	23	$64,448.6	$773.0
Management of Companies	188	2	$8,320.8	$136.0
Administration and Waste Management	1,590	11	$27,652.4	$201.7
Educational Services	1,627	5	$23,062.0	$72.7
Health Care & Social Assistance	9,080	40	$260,673.7	$1,299.2
Arts, Entertainment, and Recreation	476	47	$10,834.7	$902.7
Accommodation & Food Services	6,475	422	$115,570.5	$7,611.0
Other Services	4,433	31	$81,747.9	$556.4
Government	12,323	209	$479,959.0	$10,691.1
Totals	75,346	1,426	$2,073,752	$35,942
Percent of Total	100.0%	1.9%	100.0%	1.7%

Table SO-30. Maximum Potential Contribution to 10-County Region Jobs by Alternative
(Average Annual, Decade 1)

Industry Sector	10-County Totals	Forest-Linked Jobs by Alternative				
		Alt. 1	Alt. 2	Alt. 2M	Alt. 3	Alt. 4
Agriculture	6,346	224	202	201	181	247
Mining	2,118	21	21	21	20	21
Utilities	483	7	7	7	6	8
Construction	5,111	29	29	29	28	31
Manufacturing	6,842	343	362	359	265	457
Wholesale Trade	1,157	79	79	79	74	85
Transportation & Warehousing	2,822	46	47	47	40	54
Retail Trade	8,883	311	311	311	302	321
Information	489	10	10	10	10	11
Finance & Insurance	1,405	14	14	14	12	16
Real Estate & Rental & Leasing	1,610	30	29	29	28	32
Professional, Scientific & Technical Srvs	1,888	34	34	34	31	37
Management of Companies	188	5	5	5	4	5
Administration and Waste Management	1,590	20	20	20	19	22
Educational Services	1,627	8	8	8	7	8
Health Care & Social Assistance	9,080	69	69	69	62	76
Arts, Entertainment, and Recreation	476	69	69	69	69	70
Accommodation & Food Services	6,475	559	559	559	553	567
Other Services	4,433	67	67	66	57	77
Government	12,323	241	236	236	229	245
Totals	75,346	2,185	2,177	2,172	1,995	2,389
Percent of Total MNF 10-County Region	100.0%	2.9%	2.9%	2.9%	2.6%	3.2%

We had a request in the comments on the DEIS to show how the projected employment by alternative compared to total employment in the State of West Virginia. When compared to the total jobs in West Virginia (BEA 2003), the contributions of the alternatives are insignificant and diluted, as seen in Table SO-31, and the differences between alternatives are negligible.

Table SO-31. Maximum Potential Contribution to State Jobs by Alternative
(Alternatives Average Annual, Decade 1 vs. 2003 Total State Employment from BEA)

Indicator	West Virginia	Current	Alt. 1	Alt. 2	Alt. 2M	Alt. 3	Alt. 4
Total Jobs	885,663	1,426	2,185	2,177	2,172	1,995	2,389
Percent of State Total	100%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%

Similarly, in Table SO-32 the alternatives potentially increase all Forest-linked income from the current 1.7 percent to a range of 2.7 in Alternative 3 to 3.4 percent in Alternative 4. Again, Alternatives 1, 2, and 2M make a similar 3 percent contribution.

Table SO-32. Maximum Potential Contribution to 10-County Region Income by Alternative (Average Annual, Decade 1)

Industry Sector	10-County Totals	Forest-Linked Jobs by Alternative				
		Alt. 1	Alt. 2	Alt. 2M	Alt. 3	Alt. 4
Agriculture	$59,089.2	8,313	7,368	7,319	6,565	9,215
Mining	$132,663.9	1,336	1,334	1,334	1,322	1,348
Utilities	$38,432.9	657	663	661	575	759
Construction	$171,736.6	1,010	996	994	944	1,056
Manufacturing	$238,584.0	10,935	11,517	11,462	8,416	14,568
Wholesale Trade	$44,407.9	3,053	3,065	13,044	2,862	3,286
Transportation & Warehousing	$107,467.7	1,483	1,518	1,513	1,267	1,774
Retail Trade	$196,455.8	5,662	5,643	5,638	5,462	5,863
Information	$17,538.2	308	307	306	283	334
Finance & Insurance	$49,235.5	506	504	502	440	579
Real Estate & Rental & Leasing	$35,517.0	475	468	467	432	511
Professional, Scientific & Technical Srvs	$64,448.6	1,182	1,174	1,171	1,076	1,284
Management of Companies	$8,320.8	260	260	260	232	293
Administration and Waste Management	$27,652.4	340	341	341	311	375
Educational Services	$23,062.0	122	121	121	111	134
Health Care & Social Assistance	$260,673.7	2,240	2,217	2,211	2,013	2,466
Arts, Entertainment, and Recreation	$10,834.7	1,323	1,323	1,322	1,313	1,334
Accommodation & Food Services	$115,570.5	10,329	10,325	10,323	10,239	10,426
Other Services	$81,747.9	1,242	1,242	1,237	1,059	1,449
Government	$479,959.0	12,295	12,037	12,028	11,622	12,555
Totals	$2,073,752	$63,071	$62,423	$62,255	$56,544	$69,608
Percent of Total MNF 10-County Region	100.0%	3.0%	3.0%	3.0%	2.7%	3.4%

Although the projected increases in Forest-linked contributions from current jobs and income are substantial at the Forest level, they are fairly minor when compared to the overall MNF 10-County Region and State employment and income. Clearly there are other considerations—social needs, local industry, infrastructure maintenance, to name a few—that are having a far greater influence on local economies. Still, any potential additional contribution from Forest management activities would likely be welcome by local communities and counties.

Federal Payments to Counties

Table SO-33 shows the combined amount of 25 Percent Fund/Stabilized Payments in 2006 and PILT in 2005 for the counties within the Forest's region of influence.

Table SO-33. Forest-related 25 Percent Fund/Stabilized Payments (2006) and Payments in Lieu of Taxes (PILT) (2005) to Counties

County	25% Fund or Stabilized Payment	Payments in Lieu of Taxes	Totals
Barbour County	$8	$16	$24
Grant County	$43,156	$17,976	$61,132
Greenbrier County	$218,885	$154,197	$373,082
Nicholas County	$16,981	$36,144	$53,125
Pendleton County	$130,659	$76,625	$207,284
Pocahontas County	$666,828	$376,270	$1,043,098
Preston County	$8,460	$5,558	$14,018
Randolph County	$434,986	$290,565	$725,551
Tucker County	$214,388	$144,601	$358,989
Webster County	$142,318	$93,834	$236,152
Totals	**$1,876,669**	**$1,195,786**	**$3,072,455**

In addition to the funds shown in Table SO-33, counties would also receive a percentage of the Forest's oil and gas federal lease rents and royalties from the U.S. Treasury. Current revenue levels are not available. However, revenue levels from 1987 to 2003 averaged about $600,000 a year. Levels can fluctuate widely, depending on a number of factors, but have stayed within a range of around $280,000 to $1,160,000 on an annual basis.

Payments from all of theses sources go through the State of West Virginia for distribution to counties. As noted in the Direct and Indirect Effects section, these payments may not vary much by alternative, However, there are other factors that may cumulatively affect the amount of funds that counties receive from the federal government, including:

- Decisions by Congress involving the SRSCS Act and its funding,
- Decisions by the counties to choose 25 Percent Fund or Stabilized Payments (if available),
- State distribution of 25 Percent Fund/Stabilized Payments and PILT funds,
- Congressional changes to PILT funds authorization and appropriation,
- Additional lands acquired by the federal government within the Forest region counties,

- Funding from other federal land sources within the counties, such as the George Washington National Forest in Pendleton County, or the Canaan Valley National Wildlife Refuge in Tucker County.

It remains to be seen if counties will continue to have the option of receiving stabilized payments. If not, the amounts they receive would shift to 25 percent of the annual revenues generated by the Forest (and other federal land managers). Based on estimates from the IMPLAN model, these revenues could be much higher than they have been in the recent past. However, based on recent history, Forest revenues have fluctuated greatly, depending primarily on how much timber or natural gas is produced. Projected timber production would be highest in Alternative 4, followed closely by Alternatives 1, 2, and 2M, which have fairly similar production potential and then Alternative 3, which has considerably less potential (see *Timber Supply* section). The potential for leasing federal gas and oil is much the same, with Alternative 4 having the most land available for leasing, followed closely by Alternatives 2, 1, and 2M, and then Alternative 3 with the least amount of land available (see *Mineral Resources* section).

Forest revenues are also expected from recreation, livestock grazing, and special use fees. Recreation use is predicted to increase at a modest but steady rate under all alternatives, so revenues are expected to increase as well, though they are relatively small compared to average timber and gas revenues. Livestock grazing is predicted to remain roughly the same under all alternatives, but we cannot predict how the fees for grazing may change. Special uses cover a wide variety of activities, some of which are long term, and some of which are short term or temporary. These uses are not expected to vary measurably by alternative, and they have not been a major revenue producer in the past.

Additional sources of federal revenue that cumulatively affect the MNF 10-County Region come from cost-share agreements for road and fire management, and taxes paid by federal employees.

Economic and Financial Efficiency

Although there are many factors that could influence financial and economic efficiency on the Forest—including budget levels, timber values, recreational use patterns, and land management legislation—it is difficult to predict what changes might occur related to those factors. It is appropriate to assume, however, that any changes of a magnitude to be felt at the Forest-wide scale would likely affect all alternatives in a similar manner, and therefore would not differentially affect the way that Forest land managers would consider the alternatives in Forest Plan revision.

For the future short and long term, the Forest will continue to look at the economic and financial efficiency of implementing actions at the project level. Economic analyses are done on any project with significant capital investment as standard operating procedure.

Although the Forest Service is not a business, the agency has a limited amount of funding to work with on an annual basis, and the overall trend in funding for most resource programs recently has been flat or downward. Thus, the Forest has an added incentive to not only find economically and financially efficient ways of conducting its work, but also innovative ways of

using funds from multiple program areas to generate benefits to a range of Forest resources, uses, and products.